



BRITAIN



1993

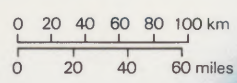


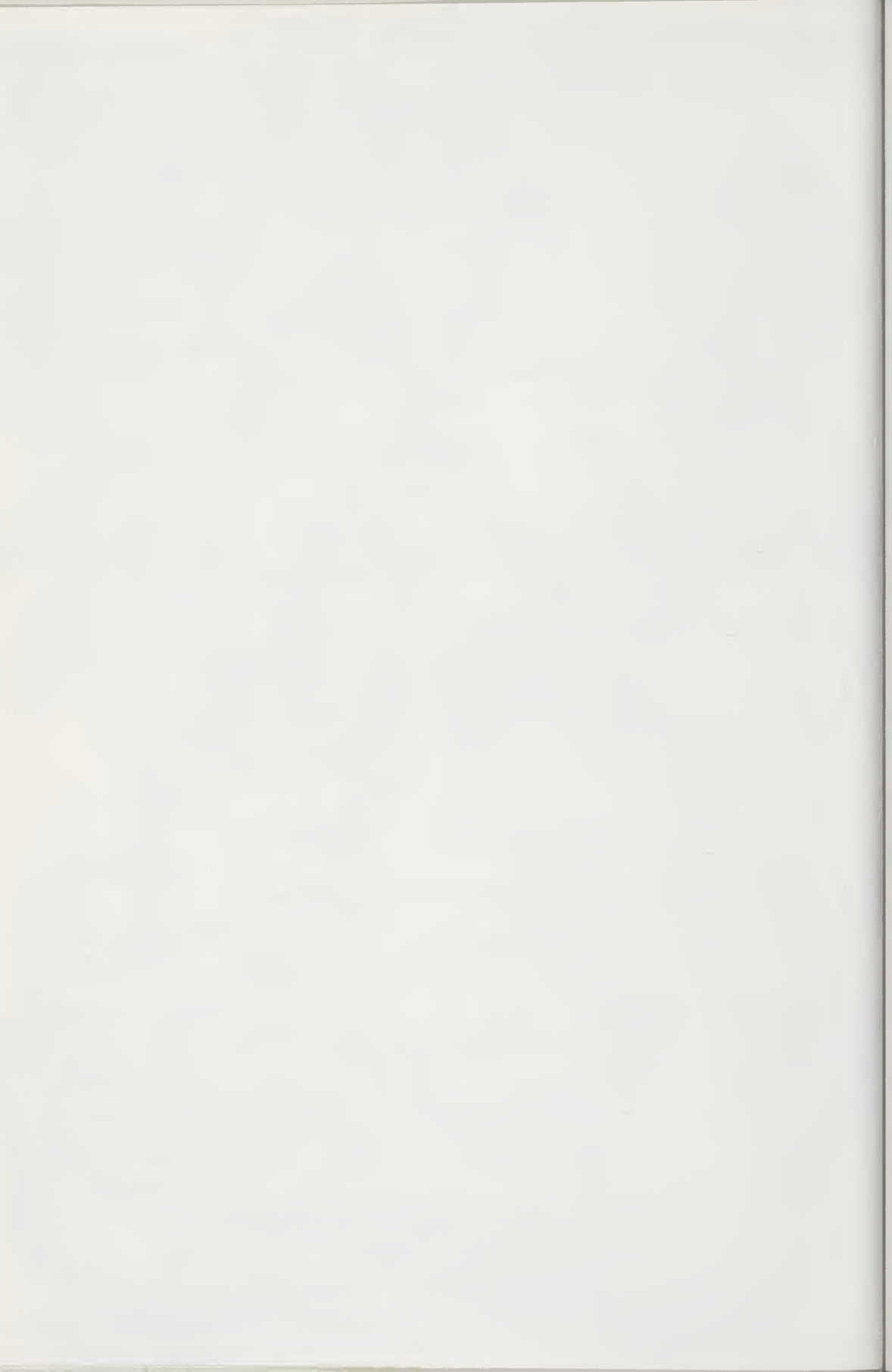
AN OFFICIAL HANDBOOK

Major conservation and recreation areas



- National Parks 
- Forest Parks 
- Areas of Outstanding Natural Beauty (National Scenic Areas in Scotland) 
- Heritage Coast (Coastal Conservation Zones in Scotland) 
- National Trails 
- World Heritage Sites 



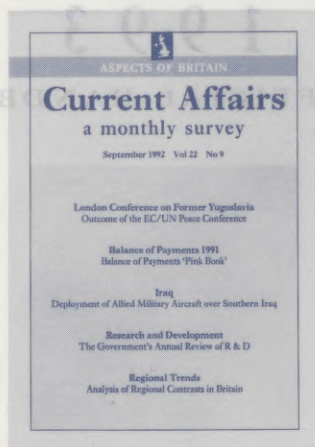


SPECIAL OFFER

CURRENT AFFAIRS: A MONTHLY SURVEY

THE IDEAL COMPANION FOR *BRITAIN HANDBOOK*

As a buyer of *Britain Handbook* you have the opportunity of a year's subscription to *Current Affairs* at 25 per cent off the published price of £35.80. You will also have the option of renewing your subscription next year at the same discount. Please use the order form provided with this book.



Using the latest authoritative information from official and other sources, *Current Affairs* is a monthly digest of important developments in all areas of British affairs.

Focusing on policy initiatives and other topical issues, its factual approach makes it the ideal companion for *Handbook*. Together they provide a detailed and continuously updated information source. While *Current Affairs* updates *Handbook* as events occur, *Handbook* provides the broad picture and background essential to put such developments in context.

Current Affairs also acts as a long-term journal of record. Its extensive cross-referencing allows readers to trace developments back to their source.

Separate sections deal with governmental, international, economic, and social, cultural and environmental affairs. A further section provides details of recent documentary sources for these areas. There is also a twice-yearly index.

Available on annual subscription; the 1993 subscription rate is £35.80. A special binder is also available at £4.95.

Contents

© Crown copyright 1993
Applications for reproduction should be made to HMSO
First published 1993

ISBN 0 11 707202 7

	Page
Introduction	25
1 Land and People	1
Introduction	1
The Four Lands	5
The Social Framework	16
2 Government	27
Developments of the State	27
The Monarchy	28
Parliament	32
Her Majesty's Government	44
The Privy Council	46
Government Departments	47
The Civil Service	49
Local Government	52
3 Overseas Relations	58
Britain and the United Nations	60
Membership of the European Community	66
The Commonwealth	71
Other International Organisations	73
International Peace and Security	73
Development Co-operation	76
4 Defence	81
Britain's Defence for the 1990s	82
The Armed Forces	84
Combat Forces	85
Finance and Management	87
Defence Procurement	88
Civil Defence	88
5 Justice and the Law	89
Criminal Justice	89
Civil Justice	108
Administration	111
6 Social Welfare	115
National Health Service	118
Personal Social Services	134
Voluntary Social Services	139
Social Security	141

BRITAIN 1993

AN OFFICIAL HANDBOOK

Prepared by the Central Office of Information
London: HMSO



Contents

	<i>Page</i>
Introduction	ix
1 Land and People	1
Introduction	1
The Four Lands	5
The Social Framework	16
2 Government	27
Development of the British System of Government	27
The Monarchy	28
Parliament	32
Her Majesty's Government	44
The Privy Council	46
Government Departments	47
The Civil Service	49
Local Government	52
3 Overseas Relations	58
Britain and the United Nations	60
Membership of the European Community	61
The Commonwealth	71
Other International Organisations	73
International Peace and Security	73
Development Co-operation	76
4 Defence	81
Britain's Defence for the 1990s	82
The Armed Forces	84
Combat Forces	85
Finance and Management	87
Defence Procurement	88
Civil Defence	88
5 Justice and the Law	89
Criminal Justice	89
Civil Justice	108
Administration of the Law	111
6 Social Welfare	115
National Health Service	118
Personal Social Services	134
Voluntary Social Services	139
Social Security	141

7 Education	148
The Youth Service	171
8 Planning, Urban Regeneration and Housing	173
Planning	173
Urban Regeneration	175
Housing	183
9 Environmental Protection	189
Conservation	190
Control of Pollution	197
10 Religion	207
11 National Economy	213
12 Industry and Commerce	222
Introduction	222
Government and Industry	223
13 Manufacturing and Construction Industry	238
Introduction	238
Sectors of Manufacturing	240
Construction	254
14 Finance and Other Service Industries	257
15 Energy and Natural Resources	276
Energy Resources	276
Non-fuel Minerals	295
Water	297
16 Agriculture, Fisheries and Forestry	299
Agriculture	299
Fisheries	311
Agriculture, Fisheries and Food Research	314
Forestry	315
17 Transport and Communications	317
Inland Transport	317
Shipping and Ports	327
Civil Aviation	330
Communications	334
18 Employment	340
19 Public Finance	357
20 Overseas Trade	368
21 Promotion of Science and Technology	378

22 Promotion of the Arts	395
23 The Press	415
24 Television and Radio	425
25 Sport and Active Recreation	438
Appendix 1: Government Departments and Agencies	458
Appendix 2: Major White and Green Papers	466
Appendix 3: Statistical Annex	468
Sources	470
Appendix 4:	471
Metric Conversions for British Weights and Measures	471
Thermometrical Table	471
Bank and Public Holidays in Britain, 1993	472
Currency	472
Index	473

Diagrams

Availability of Certain Durable Goods	21
The Royal Family	29
Health Service Expenditure in England	116
Social Security Expenditure: Great Britain 1991-92	143
Restructuring of Nature Conservation and Countryside Access	193
Land Use in Britain	299
Agricultural Land Use 1991	300
Public Expenditure under the CAP	306
Planned Receipts and Expenditure of General Government 1990-91	364
Geographical Distribution of Trade 1990	371

Maps

Physical Features	
Major Conservation and Recreation Areas	} <i>endpapers</i>
Motorways and Major Trunk Roads	
Main Railway Passenger Routes	
Britain	
The European Community	62
Urban Policy Initiatives	178-9
The Assisted Areas	228
Oil	282
Gas	284
Coal	287
Electricity	290
Some Minerals Produced in Britain	296

Photographs

Wildlife Conservation	}	between pp 70 and 71
The 1992 General Election		
Archaeology	}	between pp 134 and 135
Town Twinning		
Britain's Dependent Territories	}	between pp 230 and 231
The Voluntary Sector		
Leisure	}	between pp 294 and 295
Festivals and Exhibitions		
Clothing and Textiles	}	between pp 358 and 359
Inward Investment		
Bridges	}	between pp 422 and 423
The Water Supply Industry		
Fisheries	}	
Transport		
Olympics	}	
Technological Co-operation		
Department of National Heritage	}	
Crafts		

Acknowledgments for use of photographs appear on p 483.

Introduction

Britain 1993 is the forty-fourth in the series of Handbooks prepared each year by the Central Office of Information (COI). Drawing on a wide range of official and other authoritative sources, it provides a factual overview of Government policy and other important developments. It describes the workings of government and other major institutions; the various sectors of the economy; social, cultural and environmental matters; international affairs; and British achievements in many fields.

The Handbook is widely recognised as an established work of reference, not only in Britain but overseas, where it is an important element of the information service provided by British diplomatic posts. It is sold by HMSO and its agents throughout the world.

New Features

The text has, of course, been fully updated and revised, and this year a number of new features have been introduced, some at the suggestion of readers:

- a list of government departments and their executive agencies, with a description of their functions. Addresses and phone numbers are given for each of the main departments;
- a list of the main White Papers and Green Papers issued since January 1990; and
- a new statistical annex containing a selection of the main economic statistics. Detailed statistics continue to be given in the individual chapters.

Coverage

Every effort is made to ensure that the information given in the Handbook is accurate at the time of going to press. The text, generally, is based on information available up to September 1992.

As far as possible, the Handbook presents information that applies to Britain as a whole. However, this is not always possible. Care should be taken when using the Handbook to note whether the information given refers to:

- Britain, formally the United Kingdom of Great Britain and Northern Ireland;
- Great Britain, which comprises England, Wales and Scotland;
- England and Wales, which are grouped together for many administrative and other purposes; or, in some instances,
- England alone.

Further Information

The Handbook forms part of a series of factual publications which together provide a broadly based and continuously updated information source on British affairs.

- *Current Affairs – A Monthly Survey* is a monthly digest of significant developments in all areas of British affairs. Published as part of the *Aspects of Britain* series, it serves not only to update the information carried in the Handbook and the other series titles, but as a long-term journal of record. Each issue has separate sections dealing with governmental; international; economic; and social, cultural and environmental affairs; and there is a list of recent documentary sources for these areas.

- *Aspects of Britain* is a series of A5 paperbacks that covers in depth Britain's political, economic and social structure, and its place in the international community. Some titles are extended versions of the chapters in the Britain Handbook, but most are completely new texts. Titles that offer significantly more information than is given in the Handbook have been indicated in a footnote in the relevant chapter. A full list of titles in the series appears at the back of the Handbook.

Details on how to obtain these publications are also given at the back of the Handbook.

Acknowledgments

The Handbook has been compiled with the co-operation of around 250 organisations, including other government departments and agencies. The editor would like to thank all those who have contributed their comments.

Readers' Comments

We welcome readers' comments and suggestions; these should be sent to:

The Editor
Britain: An Official Handbook
 Reference Services
 Central Office of Information
 Hercules Road
 London SE1 7DU

Reference Services
 Central Office of Information

1 Land and People

Introduction

Britain comprises Great Britain (England, Wales and Scotland) and Northern Ireland, and is one of the 12 member states of the European Community. Its full name is the United Kingdom of Great Britain and Northern Ireland.

Physical Features

Britain constitutes the greater part of the British Isles. The largest of the islands is Great Britain. The next largest comprises Northern Ireland and the Irish Republic. Western Scotland is fringed by the large archipelago known as the Hebrides and to the north east of the Scottish mainland are Orkney and Shetland. All these have administrative ties with the mainland, but the Isle of Man in the Irish Sea and the Channel Islands between Great Britain and France are largely self-governing, and are not part of the United Kingdom.

With an area of some 242,500 sq km (93,600 sq miles), Britain is just under 1,000 km (some 600 miles) from the south coast to the extreme north of Scotland and just under 500 km (some 300 miles) across in the widest part.

The climate is generally mild and temperate. Prevailing winds are south-westerly and the weather from day to day is mainly influenced by depressions moving eastwards across the Atlantic. It is subject to frequent changes but to few extremes of temperature. It is rarely above 32°C (90°F) or below -10°C (14°F). The average annual rainfall is more than 1,600 mm (over 60 inches) in the mountainous areas of the west and north but less than 800 mm (30 inches) over central and eastern parts. Rain is fairly well distributed throughout the year, but, on

average, March to June are the driest months and September to January the wettest.

During May, June and July (the months of longest daylight) the mean daily duration of sunshine varies from five hours in northern Scotland to eight hours in the Isle of Wight; during the months of shortest daylight (November, December and January) sunshine is at a minimum, with an average of an hour a day in northern Scotland and two hours a day on the south coast of England.

In recent years there have been some notable extremes of weather, including:

- a long period of drought in the southern and eastern areas of England—in January 1992 London experienced its driest January since records began in 1838;
- the highest temperature officially recorded in Britain in August 1990—37.1°C (98.8°F) at Cheltenham (Gloucestershire); and
- the great storm of October 1987 which in southern England resulted in about 15 million trees being blown down.

Historical Outline

The word 'Britain' derives from Greek and Latin names probably stemming from a Celtic original. Although in the prehistoric timescale the Celts were relatively late arrivals in the British Isles, only with them does Britain emerge into recorded history. The term 'Celtic' is often used rather generally to distinguish the early inhabitants of the British Isles from the later Anglo-Saxon invaders.

England and Wales

Roman rule lasted for over 300 years from AD 43. The final Roman withdrawal in 409

followed a period of increasing disorder during which the island began to be raided by Angles, Saxons and Jutes from northern Europe. It is from the Angles that the name 'England' derives. In the next two centuries the raids turned into settlement and a number of small kingdoms were established. The Britons maintained an independent existence in the areas now known as Wales and Cornwall. Among these kingdoms, more powerful ones emerged, claiming overlordship over the whole country, first in the north (Northumbria), then in the midlands (Mercia) and finally in the south (Wessex). However, further raids and settlement by the Vikings from Scandinavia occurred, although in the tenth century the Wessex dynasty defeated the invading Danes and established a wide-ranging authority in England.

In 1066, the last successful invasion of England took place. Duke William of Normandy defeated the English at the Battle of Hastings. Normans and others from France came to settle. French became the language of the nobility for the next three centuries and the legal and, to some extent, social structure was influenced by that prevailing across the Channel.

Wales had remained a Celtic stronghold, although often within the English sphere of influence. However, with the death in battle in 1282 of Prince Llywelyn, Edward I launched a successful campaign to bring Wales under English rule. Continued strong Welsh national feeling was indicated by the rising led by Owain Glyndŵr at the beginning of the fifteenth century. The Acts of Union of 1536 and 1542 united England and Wales administratively, politically and legally.

Scotland

Scotland was mainly inhabited by the Picts. In the sixth century, the Scots from Ireland (or 'Scotia') settled in what is now Argyll. Lothian was populated by the English, while Welsh Britons moved north to Strathclyde. During the ninth century, the various parts of Scotland united in defence against the Vikings. The powerful monarchy which now existed in England threatened Scottish independence throughout the Middle Ages.

The eventual unification of England and Scotland showed that religious differences were now more important than old national antagonisms. In England, Elizabeth I was succeeded in 1603 by James VI of Scotland (James I of England). Even so, England and Scotland remained separate during the seventeenth century, apart from an enforced period of unification under Oliver Cromwell. In 1707, both countries, realising the benefits of closer political and economic union, agreed on a single parliament for Great Britain. Scotland retained its own system of law and church settlement. The Union became strained during the reigns of the Protestant Hanoverians George I and George II, when two Jacobite risings attempted to restore the Catholic Stuarts.

Ireland

A number of kingdoms had emerged in Ireland before the Christian era. Ireland, however, did not escape the incursions of the Vikings, who dominated the country during the tenth century.

In 1169 Henry II of England launched an invasion of Ireland. He had been granted its overlordship by the English Pope Adrian IV, who was anxious to bring the Irish church into full obedience to Rome. Although a large part of the country came under the control of Anglo-Norman magnates, little direct authority was exercised from England during the Middle Ages.

The Tudor monarchs showed a much greater tendency to intervene in Ireland. During the reign of Elizabeth I, a series of campaigns was waged against Irish insurgents. The main focus of resistance was the northern province of Ulster. With the collapse of this resistance and the flight of its leaders in 1607, Ulster became an area of settlement by immigrants from Scotland and England.

The English civil wars (1642–51) led to further risings in Ireland and these were crushed by Cromwell. There was more fighting after the deposition of James II in 1688.

During most of the eighteenth century there was an uneasy peace; towards its end

Some Dates in British History

55 and 54 BC

Julius Caesar's expeditions to Britain

AD 43

Roman conquest begins

122–38

Hadrian's Wall built

c409

Roman army withdraws from Britain

450s onwards

Foundation of the Anglo-Saxon kingdoms

832–60

Scots and Picts merge under Kenneth Macalpin to form what is to become the kingdom of Scotia

860s

Danes overrun East Anglia, Northumbria and East Mercia

1066

William the Conqueror defeats Harold at Hastings and takes the throne

1086

Domesday survey

1215

King John signs Magna Carta, to protect feudal rights against royal abuse

1337

Hundred Years War between England and France begins

1348–49

Black Death (bubonic plague) wipes out a third of England's population

1381

Peasants' Revolt in England

1455–87

Wars of the Roses, between Lancastrians and Yorkists

1534–40

English Reformation: Henry VIII breaks with the papacy

1536–42

Acts of Union unite England and Wales

1547–53

Protestantism becomes official religion in England under Edward VI

1553–58

Catholic reaction under Mary I

1558–1603

Reign of Elizabeth I. Moderate Protestantism established

1588

Defeat of Spanish Armada

c1590–c1613

Plays of Shakespeare written

1642–51

Civil War between King and Parliament

1649

Execution of Charles I

1653–58

Oliver Cromwell rules as Lord Protector

1660

Restoration of the monarchy under Charles II

1688

Glorious Revolution: Accession of William III and Mary II

1707

Act of Union unites England and Scotland

1756–63

Seven Years War settles rivalry between Britain and France in North America and India in Britain's favour

c1760s–c1830

Industrial Revolution

1793–1815

Revolutionary and Napoleonic Wars

1825

Stockton to Darlington railway built

1832

First Reform Act extends franchise

1837–1901

Reign of Victoria

1914–18

First world war

1921

Anglo-Irish Treaty establishes Irish Free State, Northern Ireland remains part of Britain

1939–45

Second world war

1973

Britain enters European Community

various efforts were made by British governments to achieve stability. In 1782 the Irish Parliament (dating from medieval times) was given legislative independence; the only constitutional tie with Great Britain was the Crown. The Parliament represented, however, only the privileged Anglo-Irish minority and Catholics were excluded from it. An abortive rebellion took place in 1798, and in 1801 Ireland was unified with Great Britain.

The 'Irish question' continued as one of the major problems of British politics during the nineteenth century. In 1886 the Liberal Government introduced a Home Rule Bill which would have given an Irish Parliament authority over most internal matters while reserving to Britain control over external affairs. This led to a split in the Liberal Party and the failure of the Bill. In 1914 Home Rule was enacted by the Government of Ireland Act. Its implementation was prevented by the threat of armed resistance on the part of the Protestant majority in Ulster and by the outbreak of the first world war.

Although a nationalist rising in Dublin in 1916 was suppressed, a guerrilla force known as the Irish Republican Army (IRA) began operations against the British administration at the end of the first world war. The Government of Ireland Act 1920 provided for the establishment of two Home Rule parliaments, one in Dublin and the other in Belfast. The Act was implemented in 1921 in Northern Ireland, when six of the nine counties of the province of Ulster received their own Parliament and remained represented in, and subject to the supreme authority of, the British Parliament. In the South the IRA continued to fight for independence from the British administration. After the signature of a truce in June, the Anglo-Irish Treaty of December 1921 established the Irish Free State, which became a republic in 1949.

Channel Islands and Isle of Man

Although the Channel Islands and the Isle of Man are not part of the United Kingdom,

Table 1.1: General Statistics

	England	Wales	Scotland	Northern Ireland	United Kingdom
Population (mid-1990) (^{'000})	47,837	2,881	5,102	1,589	57,411
Area (sq km)	130,478	20,768	77,167	14,121	242,534
Population density (persons per sq km)	367	139	66	113	237
Gross domestic product (per head, 1990)	8,408	6,960	7,592	6,181	8,201
Employees in employment (^{'000} , June 1991)	18,755	985	1,984	525	22,268
Percentage of employees (June 1991) in:					
services	71.0	67.1	70.3	71.0	70.7
manufacturing	21.8	24.3	19.4	19.5	21.7
construction	4.2	4.2	5.9	4.4	4.3
energy and water supply	1.9	2.4	3.0	1.5	2.0
agriculture, forestry and fishing	1.2	2.0	1.4	3.6	1.3
Unemployment rate (per cent, seasonally adjusted, June 1992)	9.5	9.6	9.4	14.5	9.6

Sources: *Regional Trends*, Office of Population Censuses and Surveys, Department of Employment.

they have a special relationship with it. The Channel Islands were part of the Duchy of Normandy in the tenth and eleventh centuries. The Isle of Man was under the nominal sovereignty of Norway until 1266, and eventually came under the direct administration of the Crown in 1765. Today the territories have their own legislative assemblies and systems of law. The British Government is responsible for their defence, their international relations and, ultimately, their good government.

The Four Lands

In the following pages there are brief separate descriptions of aspects of social, economic and political life for England, Wales, Scotland and Northern Ireland, with some additional material on the political situation in Northern Ireland.

ENGLAND

England is predominantly a lowland country, although there are upland regions in the north (the Pennine Chain, the Cumbrian mountains and the Yorkshire moorlands) and in the south west in Cornwall, Devon and Somerset. Central southern England has the downs—low chalk hill ranges. The greatest concentrations of population are in London and the south east, the West Yorkshire and north-west industrial cities, the Midlands conurbation around Birmingham, the north-east conurbations on the rivers Tyne and Tees, and along the Channel coast.

The Church of England, which was separated from the Roman Catholic Church at the time of the Reformation, is the Established Church; the Sovereign must always be a member of the Church and appoints its two archbishops and 42 other diocesan bishops.

The English language is descended from the German tongue spoken by the Anglo-Saxons in the fifth and sixth centuries. This was subsequently influenced by Latin and Norse vocabulary. The language was transformed with the settlement by the Normans from France.

Government

England has no government minister or department exclusively responsible for its central administration in domestic affairs, in contrast to Wales, Scotland and Northern Ireland. Instead, there are a number of government departments, whose responsibilities in some cases also cover aspects of affairs in Wales and Scotland.

There are 524 Members of Parliament for England in the House of Commons. In April 1992 England had 319 Conservative Members of Parliament, 194 Labour, 10 Liberal Democrat and the Speaker of the House of Commons. Conservative support is to be found particularly in suburban and rural areas and the Conservatives have a large majority of the parliamentary seats in the southern half of England and in East Anglia. The Labour Party derives its main support from urban industrialised areas.

Local government is administered through a two-tier system of counties subdivided into districts. There are 32 single-tier borough authorities in London and six metropolitan counties in other parts of England. In June 1992 the Local Government Commission was established to review the structure of local government in England.

The English legal system comprises on the one hand a historic body of conventions known as 'common law' and 'equity', and, on the other, parliamentary and European Community legislation. In the formulation of common law since the Norman Conquest, great reliance was placed on precedent. Equity law derives from the practice of petitioning the King's Chancellor in cases not covered by common law.

The Economy

In the later eighteenth and nineteenth centuries Britain became the first industrialised country, basing its wealth on coalmining, on the manufacture of iron and steel, heavy machinery and textiles, on shipbuilding and on trade.

In the twentieth century a second period of industrialisation changed the broad pattern of development in England. In the 1920s and

1930s the northern industrial centres saw their traditional manufacturing base weakened owing to fluctuations in world trade and competition from other industrialising countries, and, in some cases, from substitute products. The South East and the West Midlands generally benefited from the newer industries such as pharmaceuticals, artificial fibres, electrical equipment, car manufacture and a wide range of consumer goods.

In the second half of the century, jobs in service industries have grown and now account for over two-thirds of employees in employment. Expansion has been particularly marked in financial and business services.

London is one of the world's leading centres of banking, insurance and other financial services. Many high technology industries in the surrounding regions have also developed. There has been an increase in retailing activity, with a trend towards large shopping developments on the outskirts of towns, designed for shoppers with cars. London is also the main English media centre; the national press is published there, and the national radio and television networks have their headquarters there. After London and the South East (where about three-quarters of employees are engaged in the service sector), the South West has the next highest concentration of service industries.

East Anglia has been the fastest-growing English region in terms of both population and employment since the 1960s. Although largely agricultural, high-technology industry has in recent years developed throughout the region. One significant example is the Cambridge Science Park. It contains a number of science-based companies and research organisations, which have close collaborative links with the University.

Greater London and the industrial cities of the West Midlands, the North West, Yorkshire and Humberside, and the North continue to represent the largest concentrations of manufacturing industry.

In agriculture, dairying is most common in the west of England; sheep and cattle are reared in the hilly and moorland areas of the North and South West. Arable farming, pig and poultry farming and horticulture are concentrated in the east and south.

Horticulture is also important in the West Midlands. The principal fishing ports are on the east coast and in the South West.

England has plentiful energy resources in its coalfields and has access to offshore oil and gas reserves. Important mineral deposits include sand, gravel and crushed rock used by the construction industry; industrial minerals include clay, salt from the North West, china clay from Cornwall and gypsum from the midlands, North and South East.

The motorway network comprises four long-distance routes linking London and the cities of the Midlands, the North and North West and the South West, the London orbital route, and over 30 shorter motorways.

Considerable investment is being made in the railways, both to improve inter-city services and to provide new rolling-stock for local services. The cross-Channel railway tunnel will link Britain with the European rail system and also provide a vehicle shuttle service on specially designed trains. Services through the tunnel are planned to start in autumn 1993.

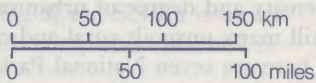
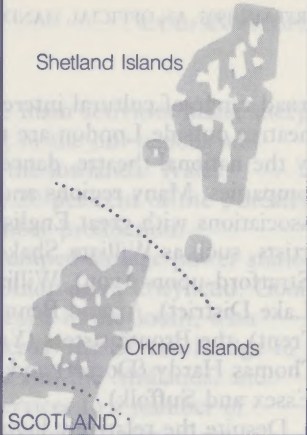
The major airports are Heathrow (the busiest international airport in the world) and Gatwick, both serving London; and Manchester, Birmingham, Luton and Stansted.

Tourism and the leisure industries have expanded in recent years. Over half of expenditure by overseas visitors in Britain takes place in London. The South West is the most popular region for domestic tourism. Of the many tourist attractions in England, the most popular of those charging for admission in 1991 were Madame Tussaud's waxworks in London, Alton Towers (Staffordshire) and the Tower of London with 2.25, 1.97 and 1.92 million visitors respectively. The English Tourist Board and the other national tourist boards have designated 1993 as 'Industrial Heritage Year'.

Cultural and Social Life

London has a concentration of cultural features including four major art galleries and many renowned museums, together with theatrical, opera, ballet and concert venues. Other major cities and towns also have a

Britain



- International boundaries
- Country boundaries
- County boundaries (regional boundaries in Scotland)

1. Greater Manchester
2. Nottinghamshire
3. Shropshire
4. West Midlands
5. Warwickshire
6. Northamptonshire
7. Bedfordshire
8. Hertfordshire
9. Buckinghamshire
10. Greater London
11. West Glamorgan
12. Mid Glamorgan
13. South Glamorgan



BELGIUM

FRANCE

broad range of cultural interests. Many theatres outside London are used for touring by the national theatre, dance and opera companies. Many regions and towns have associations with great English writers and artists, such as William Shakespeare (Stratford-upon-Avon), William Wordsworth (Lake District), Arnold Bennett (Stoke-on-Trent), the Brontë sisters (Yorkshire), Thomas Hardy (Dorset) and John Constable (Essex and Suffolk).

Despite the relatively high population density and degree of urbanisation, there are still many unspoilt rural and coastal areas. There are seven National Parks, six forest parks, 34 designated 'areas of outstanding natural beauty', ten environmentally sensitive areas, almost 200 country parks approved by the Countryside Commission, over 6,000 conservation areas, 800 km (500 miles) of designated heritage coastline, and about 2,000 historic buildings and over 3,000 gardens open to the public. There are also safari and wildlife parks, and 'theme' parks, all offering family activities and entertainment.

WALES

Wales is a country of hills and mountains, the highest of which are in Snowdonia in the north west; the tallest peak is Snowdon (1,085 m, 3,560 ft). Two-thirds of the population lives in the southern valleys and the lower-lying coastal areas. The chief urban centres are Cardiff, Swansea, Newport and Wrexham. Wales is a principality; Prince Charles, the heir to the throne, was invested by the Queen with the title of Prince of Wales at Caernarfon Castle in 1969, when he was 20.

Latest figures suggest that about one-fifth of the population speaks Welsh, a language of Celtic origin. Welsh speakers are concentrated in the rural north and west. The Welsh name of the country is Cymru. Welsh has equal validity with English in law courts; bilingual education in schools is encouraged, and there has been an extended use of Welsh for official purposes and in broadcasting. A Welsh Language Board advises on matters relating to the Welsh

language. The Government is proposing a Welsh Language Bill designed to ensure that Welsh speakers are able to use Welsh when dealing with public authorities.

There is no established church, the Anglican church having been disestablished in 1920 following decades of pressure from adherents of the Methodist and Baptist churches. Methodism in particular spread rapidly in Wales in the eighteenth century, assuming the nature of a popular movement among Welsh speakers and finding strong support later in industrial communities.

Government

The country returns 38 Members of Parliament and there are special arrangements for the discussion of Welsh affairs. For the last 60 years the industrial communities have tended to support the Labour Party in elections, ensuring a Labour majority of seats. Following the 1992 general election, Wales has 27 Labour Members of Parliament, 6 Conservative, 4 Plaid Cymru (Welsh Nationalist) and 1 Liberal Democrat.

In 1992 the Government announced proposals for fundamental changes to the structure of local government in Wales. The county authorities and district councils would be replaced by about 23 unitary authorities. Discussions are in progress and a White Paper and Bill are planned.

The Secretary of State for Wales, who is a member of the Cabinet, has wide-ranging responsibilities relating to the economy, education, welfare services and the provision of amenities. The headquarters of the administration is the Welsh Office in Cardiff, which also has an office in London. Local government is exercised through a system of elected authorities similar to that in England, and the legal system is identical with the English one.

The Economy

Recent decades have seen fundamental changes in the basis of the Welsh economy.

The most notable features have been expansion in service industries and the development of a more diverse range of manufacturing industries including many at the forefront of technology. For example, Wales is now an important centre for electronics, information technology, automotive components, chemicals and materials, and new high-technology businesses in related industries have been established. In services (which account for two-thirds of employment) the most marked growth has been in financial and business services, and leisure services. The traditional industries of coal and steel have gradually been contracting, although they continue to modernise and improve efficiency and productivity.

Wales has been particularly successful in attracting investment by overseas companies. In recent years it has regularly obtained about 20 per cent of overseas inward investment into Britain. A record 183 new projects were secured from abroad and the rest of Britain in 1991 and are expected to lead to over 17,000 new jobs and more than £860 million of capital investment.

Although south Wales remains the principal industrial area, new industries and firms have been introduced in north-east Wales and light industry attracted to the towns in mid- and north Wales rural areas.

The economic programmes of the Welsh Office are complemented by the work of the Welsh Development Agency, which has wide powers to promote industrial and environmental change. It expects to spend £166 million in 1992–93. The south Wales valleys is one of the main areas to have been affected by the decline in traditional industries. The Programme for the Valleys is the most extensive programme of economic and urban regeneration undertaken in Wales. A development corporation has been set up to stimulate the regeneration of the Cardiff Bay area and its proposals include a new barrage across the harbour mouth. The regeneration is expected to attract over £1,500 million of private investment and to create over 25,000 new jobs.

Agriculture occupies nearly 80 per cent of

the land area, the main activities being sheep and cattle rearing in the hill regions and dairy farming in the lowlands. Wales accounts for over 20 per cent of the Forestry Commission's timber production.

The biggest pumped-storage power station in Europe is at Dinorwig in Gwynedd. Good communications exist in the south, with motorway links across the Severn Bridge to southern England and the Midlands, and high-speed rail services to a number of destinations in England. A second major motorway crossing of the Severn is under construction, with completion planned in 1996.

Tourism in Wales has expanded substantially. With its coastal resorts, and three National Parks (Snowdonia, the Brecon Beacons and the Pembrokeshire Coast), as well as other areas of picturesque hill, lake and mountain country, Wales attracts many tourists. 'Garden Festival Wales', a major national tourism and leisure event, was held at Ebbw Vale in spring and summer 1992.

Cultural and Social Life

Welsh literature is one of the oldest and richest in Europe, and there is a national library. The Welsh people also have strong musical traditions; the country is well known for its choral singing and the Welsh National Opera has an international reputation. Special festivals, known as *eisteddfodau*, encourage Welsh literature and music. The largest is the annual Royal National Eisteddfod, consisting of competitions in music, singing, prose and poetry entirely in Welsh. Artists from all over the world come to the town of Llangollen for the annual International Musical Eisteddfod. An active local press includes a number of Welsh language publications.

The education system is similar to that in England, except for the teaching of Welsh which is a statutory subject within the National Curriculum for schools in Wales. The collegiate University of Wales, founded in 1893, comprises six member institutions.

Among many sporting activities, there is particular interest in rugby union football, which has come to be regarded as the Welsh national game.

SCOTLAND

Three-quarters of the population of Scotland and most of the industrial towns are in the central lowlands. The chief cities are Edinburgh (the capital), Glasgow, Aberdeen and Dundee. However, just over half of Scotland consists of the sparsely populated highlands and islands in the north. Scotland contains large areas of unspoilt and wild landscape, and the majority of Britain's highest mountains—nearly 300 peaks over 913 m (3,000 ft). The highest are the Grampians in the central highlands, with Ben Nevis (1,343 m, 4,406 ft) the tallest peak.

The established Church of Scotland is a Protestant church which is Presbyterian in form; it is governed by a hierarchy of church courts, each of which includes lay people.

Government

There are special arrangements for the conduct of Scottish affairs within the British system of government and separate Acts of Parliament are passed for Scotland where appropriate. There are 72 Scottish seats in the House of Commons. The general election in April 1992 resulted in the election of 49 Labour Members of Parliament, 11 Conservative, 9 Liberal Democrat and 3 Scottish National.

Scottish administration is the responsibility of the Secretary of State for Scotland, a member of the Cabinet, working through the Scottish Office, which has its headquarters in Edinburgh and an office in London.

Local government generally operates on a two-tier basis broadly similar to that in England and Wales. The three islands councils (for Orkney, Shetland and the Western Isles) are single-tier authorities. The Government has announced its intention to replace the two-tier structure by single-tier local authorities throughout Scotland.

The principles and procedures of the Scottish legal system differ in many respects from those of England and Wales. These differences stem, in part, from the adoption of elements of other European legal

systems, based on Roman law, during the sixteenth century.

The Economy

Scotland has experienced the same pressure on its traditional industries as the north of England and Wales. However, in recent years economic growth in Scotland has been greater than in Britain as a whole and it has been less affected by the recent recession than other areas. The most significant economic development has been the impact since the early 1970s of the discovery of oil and gas under the northern North Sea. Up to about 100,000 jobs are estimated to have arisen directly or indirectly as a result of North Sea activities.

As traditional industries, such as coal, steel and shipbuilding, have declined, rapid growth has occurred in industries such as chemicals, electronic engineering, food, drink and tobacco, and lighter forms of mechanical and instrument engineering. The electronics industry, which includes many of the world's leading companies in this field, provides 13 per cent of jobs in manufacturing and 20 per cent of output and investment. By mid-1990 about 210 plants were employing some 47,000 workers, one of the biggest concentrations of the electronics industry in Western Europe. Scotland accounts for more than half of Britain's output of integrated circuits and for over 10 per cent of European output.

Some traditional industries, such as high-quality tweeds and other textiles, and food and drink products, remain important. The Scotch whisky industry had exports of over £1,712 million in 1990.

A marked expansion in services including banking, finance and insurance has occurred, and about 70 per cent of the workforce are now engaged in services. Tourism and leisure make a significant contribution, directly providing over 155,000 jobs.

Government measures have helped to attract firms to Scotland, and investment by overseas companies has helped to make a significant contribution to the growth of modern technologically based industries. Recent changes to the mechanism for government support for enterprise and

training led in 1991 to the creation of Scottish Enterprise and Highlands and Islands Enterprise, which both have general functions in economic development, training and environmental improvement in the Scottish lowlands and the Highlands and Islands respectively. They contract with 22 Local Enterprise Companies (led by the private sector) which arrange the provision of training and business support.

Scotland has about one-third of Britain's agricultural land, but 70 per cent consists of rough grazing (including common grazing) for cattle and sheep. About 11 per cent of the agricultural area is used for crops. The principal crop is barley, which is used in the making of whisky and beer. Scotland accounts for nearly half of Britain's forest area and for over one-third of timber production. The bulk of new planting in Britain takes place in Scotland, mostly in the upland and mountain areas. Fishing remains an important activity; about 75 per cent of total landings of fish in Britain are made at Scottish ports.

Nuclear and hydro-electric generation supply a higher proportion of energy than in any other part of Britain. About 40 per cent of Scotland's electricity comes from nuclear power, with hydro-power and other renewables contributing a further 10 per cent.

Communications, both domestic and international, have improved in many parts of Scotland. The electrification scheme of the Edinburgh to London rail line was completed in 1991. Further improvements are planned in the strategic trunk road network.

Cultural and Social Life

One of the major contributions to the arts is the annual Edinburgh International Festival, one of the world's leading cultural events. Held annually in August, it is the largest of its kind in the world. Since 1982 Glasgow has also held its own international arts festival, the Mayfest, which is now the second largest festival in Britain. Scotland possesses a number of major collections of the fine and applied arts. A new Museum of Scotland is to be built in Edinburgh to house the National Museums' Scottish collection.

Gaelic, a language of ancient Celtic origin,

is spoken by some 80,000 people; the greatest concentration of Gaelic speakers is in the islands of the Hebrides.

An active press includes six national daily morning newspapers, six local evening newspapers and four national Sunday newspapers. Television programmes are produced by BBC Scotland and by three independent companies, covering the highland, lowland and border regions. BBC Radio Scotland covers most of the population.

The concept of universal education was accepted in Scotland as early as the sixteenth century. The Scottish education system has a number of distinctive features, for example on examinations. Four universities—St Andrews, Glasgow, Aberdeen and Edinburgh—were established in the fifteenth century, and four more in the 1960s. Many Scots have achieved eminence in arts and sciences.

Over 57 per cent of Scotland's housing has been built since 1945, a higher proportion than in either England or Wales. The tenure pattern is very different from that in the rest of Britain, with 42 per cent of housing rented from the public sector, compared with 25 per cent for Great Britain as a whole. As in the rest of Britain, there has been a noticeable growth in owner-occupied housing in recent years. Some areas, particularly peripheral housing estates and inner city areas, have been affected by urban deprivation. A number of projects are in hand to tackle the problems, including a series of partnerships between the Scottish Office and other groups including local communities and the private sector.

The sport of golf originated in Scotland, and courses at St Andrews, Gleneagles, Turnberry, Muirfield, Troon and Prestwick are internationally renowned. There are also winter sports centres at Aviemore, Glenshee, Glen Coe, Aonach Mhor and the Lecht.

NORTHERN IRELAND

Northern Ireland¹ is at its nearest point only 21 km (13 miles) from Scotland. It has a

¹ For further details see *Northern Ireland* (Aspects of Britain: HMSO, 1992).

488-km (303-mile) border in the south and west with the Irish Republic. At its centre lies Lough Neagh, Britain's largest freshwater lake (381 sq km, 147 sq miles). Many of the principal towns lie in valleys leading from the Lough, including the capital, Belfast, which stands at the mouth of the river Lagan. The Mourne Mountains, rising sharply in the south east, include Slieve Donard, Northern Ireland's highest peak (852 m, 2,796 ft).

Just under two-thirds of the population are descendants of Scots or English settlers who crossed to north-eastern Ireland mainly in the seventeenth century; most are Protestants, British by culture and tradition and committed to maintaining the constitutional link with the British Crown. The remainder, just over a third, are Roman Catholic, Irish by culture and history and favour union with the Irish Republic.

Government

Background to Civil Disturbances

For 50 years from 1921 Northern Ireland had its own devolved Parliament in which the mainly Protestant Unionists consistently formed the majority and therefore constituted the Government after successive elections. Nationalists resented this domination and their effective exclusion from political office.

An active and articulate civil rights movement emerged during the late 1960s. Although reforms were made in response, sectarian disturbances developed and this required the introduction of Army troops in 1969 to support the police in keeping order. Subsequently, sectarian divisions were exploited by the actions of terrorists from both sides, but most notably by the Provisional Irish Republican Army, who claimed to be protecting the Roman Catholic minority.

From 1969 the Northern Ireland Government enacted a number of reforms aimed at securing the minority's right to an effective voice in public bodies. These reforms included:

- the creation of a police authority representative of all sections of the community;

- the appointment of commissioners to investigate complaints of maladministration, including discrimination, against government departments and local authorities;
- the creation of a central housing executive with responsibility for all public sector house-building and for allocating housing according to need; and
- a restructuring of local government, including the franchise and arrangements for reviewing local government boundaries.

Direct Rule and Political Initiatives

Despite this reform programme, the inter-communal violence continued, leading to a decision by the British Government to take over responsibility for law and order in 1972. The Northern Ireland Government resigned in protest against this decision and direct rule began. Northern Ireland continues to be governed by direct rule under legislation passed in 1974. This allows the Parliament in Westminster to approve all laws for Northern Ireland and places its government departments under the direction and control of the Secretary of State for Northern Ireland who is a Cabinet minister.

Legislation passed in 1973 and 1982 provided for a measure of devolved government in Northern Ireland. This was implemented in January 1974 following agreement between Northern Ireland political parties to form a power-sharing Executive. The Executive, however, collapsed in May 1974 as a result of a protest strike by 'loyalists'.

Attempts have been made by successive British Governments to find a means of restoring a widely acceptable form of devolved government to Northern Ireland. A 78-member Assembly was elected by proportional representation in 1982. Four years later this was dissolved after it ceased to discharge its responsibilities to make proposals for the resumption of devolved government and to monitor the work of the Northern Ireland government departments. One of the reasons for the Assembly's

dissolution was in part the Unionists' reaction to the Anglo-Irish Agreement between the British and Irish governments in November 1985.

The objectives of the Agreement are to:

- promote peace and stability in Northern Ireland;
- create a new climate of friendship and co-operation between the peoples of Britain and the Irish Republic; and
- improve co-operation in fighting terrorism.

The Agreement commits both governments to the principle that Northern Ireland shall remain part of Britain for so long as that is the wish of a majority. It recognises that at present a majority there wishes to remain part of Britain. Both governments have undertaken that, should a majority in Northern Ireland formally consent to the establishment of a united Ireland, they would introduce and support the necessary legislation. The Agreement binds Britain and the Irish Republic to these commitments in international law.

The Agreement also established an Inter-governmental Conference through which the Irish Government can put forward views and proposals on specified matters affecting Northern Ireland affairs. This only applies if these matters are not the responsibility of a devolved administration in Northern Ireland and where cross border co-operation can be promoted in the interests of both countries. Each government retains sovereignty and full responsibility for decisions and administration within its own jurisdiction.

The British Government remains committed to the principle of a locally accountable administration acceptable to, and enjoying the support of, both sections of the community. In March 1991 the Northern Ireland Secretary announced, following lengthy consultations with the four main constitutional parties—the Ulster Unionists, Democratic Unionists, Alliance Party and Social Democratic and Labour Party—that agreement had been reached on a basis for formal political talks. This agreement envisaged that any talks would take place during an interval between Inter-

governmental Conferences, held under the Anglo-Irish Agreement, and that they would consider three sets of relationships relevant to the Northern Ireland problem: those between the two main traditions in Northern Ireland, between the peoples of the island of Ireland as a whole, and between the two governments. It was further agreed that the talks would take place in three phases or 'strands' corresponding to the three sets of relationships. The British and Irish governments also made clear that they were prepared to consider a new and more broadly based Anglo-Irish Agreement if one could be arrived at through direct discussion and negotiation in the talks.

Discussions in the first strand began in Belfast on 30 April 1991 between the British Government and the constitutional parties. After procedural issues had been resolved, there were useful discussions between the parties, among other things about the identities of the two traditions in Northern Ireland. The talks were concluded on 3 July 1991.

During the autumn and winter of 1991 the British Government sought agreement on a basis for new talks; these subsequently began in Belfast on 9 March 1992. The British Government and the four Northern Ireland parties undertook intensive consideration, during May and June, of the relationships between the two main parts of the community in Northern Ireland and the nature of new political institutions which might command widespread support.

On 6 July the talks moved into the second strand, when the Irish Government joined the discussions. The talks in this strand are being overseen by an independent chairman. The third strand began in Dublin on 28 July with a meeting between the two governments. The talks are scheduled to run into November 1992.

Northern Ireland returns 17 members to the United Kingdom Parliament. In the most recent general election in April 1992 the Ulster Unionists won 9 seats, the Democratic Unionists 3, the Ulster Popular Unionists 1 and the Social and Democratic Labour Party 4. The Sinn Fein member lost his seat. The Alliance Party, set up to offer an alternative

to unionist and nationalist parties, did not obtain a seat.

Human Rights

The Government is committed to the protection of human rights in Northern Ireland. Legislation passed in 1973 outlaws discrimination by public bodies, including the Government, on the grounds of religious belief or political opinion. It also set up the independent Standing Advisory Commission on Human Rights, which advises the Government on the effectiveness of anti-discrimination legislation and on other human rights issues. In 1987 a central community relations unit was established within the Government to advise on the impact of government policies and programmes on community relations and to bring forward ideas on future action.

Direct and indirect discrimination in employment by public and private employers is also illegal. Legislation passed in 1976 made discrimination on the grounds of religion or politics unlawful and established a Fair Employment Agency to promote equal opportunities and work towards the eradication of discrimination.

New laws came into effect in 1990. These strengthened the 1976 measures by requiring employers to:

- monitor the religious composition of their workforce and job applicants;
- take firm action, where necessary, to provide for a fair distribution of jobs between the two communities; and
- review their employment practices every three years.

The legislation also provides for fines and economic sanctions against employers found guilty of bad practice.

The Fair Employment Agency was renamed as the Fair Employment Commission which has increased powers and resources to enable it to investigate employment practices, prescribe affirmative measures and offer advice and guidance. The new Fair Employment Tribunal deals with individual complaints of alleged

discrimination and appeals by employers against directions of the Commission.

The effectiveness of the legislation will be formally reviewed after five years.

Security Policy

While terrorism continues, certain emergency powers are in force. These include special powers of arrest in respect of certain serious crimes, non-jury courts to try certain terrorist offences, and the banning of terrorist organisations. The powers are balanced by specific safeguards; the measures are temporary, need annual renewal by Parliament and are subject to annual independent review.

Most traditional rights, including freedom from persecution and freedom of speech, remain in force. The Government has, however, issued restrictions on the broadcasting on television and radio of direct statements made by representatives of terrorist organisations or their supporters.

The security forces are accountable to the law; if they break it, their members are liable to prosecution like any other members of the community. An independent police complaints commission supervises police investigations into more serious complaints and, at its discretion, the investigation of others. Northern Ireland's legal system, and the safeguards it enshrines, are broadly similar to those in England and Wales.

The use of violence has been condemned by the overwhelming majority of people living in Northern Ireland and, although terrorism continues, the overall level of violence is lower than in the early 1970s. Since 1969 some 3,000 people have been killed as a result of terrorist campaigns. The police take the primary role in maintaining order; the Army's task is one of assisting the civil authorities. Terrorists are brought to justice through the courts and are tried for criminal offences, not political beliefs.

The Economy

Around a half of the population and most industry are settled on the eastern

seaboard, the centre of which is Belfast. The remainder of Northern Ireland is predominantly rural in character.

The province had a gross domestic product of about £10,000 million in 1990 and a working population of some 702,000 in 1991. Trends in output, employment and unemployment tend to reflect overall trends in Britain. Almost half of manufacturing output is sold to the rest of Britain and a quarter is sold locally.

Total employment increased by 1.2 per cent between 1979 and 1990, although there have been major changes in parts of the economy. In the 1980s employment fell in manufacturing and rose in services. Unemployment is higher than in the rest of Britain and reached 14.5 per cent in June 1992, compared with 9.5 per cent in Great Britain.

An economic development strategy published by the Government in 1990 concluded that long-term growth could only be generated by improvements in international competitiveness led by the private sector. Its main features include:

- identifying and removing obstacles to growth;
- an intensified drive for inward investment;
- building up management and workforce skills;
- stimulating the development of an enterprise culture;
- giving a new impetus to support for innovation and research and development; and
- targeting programmes, where necessary, on areas of social and economic deprivation and on the needs of long-term unemployed people.

The execution of industrial development policy is carried out by four agencies associated with the Department of Economic Development:

- the Industrial Development Board, which deals with companies with more than 50 employees and with inward investment;

- the Local Enterprise Development Unit, which is responsible for promoting enterprise and the development of small businesses employing up to 50 employees;
- the Training and Employment Agency, which is responsible for developing the workforce through training; and
- the Industrial Research and Technology Unit, which provides advice and assistance to encourage research and development and technology transfer.

Considerable public expenditure is devoted to urban renewal in Belfast and Londonderry. The Department of the Environment has a grant scheme which has generated over £256 million of private investment at a private/public funding ratio of over 3:1. In addition, under the Making Belfast Work Programme for the period from 1988 and 1994, over £100 million has been made available to increase jobs and businesses, improve training, and make improvements to the environment and living conditions. There is also a government and private scheme designed to redevelop the banks of the river Lagan in the heart of the city. In Londonderry there is a town centre development programme and community action to create more jobs.

Northern Ireland has parity with England, Scotland and Wales on taxation and services. The British Government makes a contribution (£2,549 million in 1991–92) to maintain social services at the level of those in Great Britain, to meet the cost of security measures and to compensate for the natural disadvantages of geography and lack of resources. The Government has a programme designed to focus resources on those suffering the highest level of social and economic disadvantage.

In 1986 the British and Irish governments established the International Fund for Ireland to promote social and economic advance. Some three-quarters of the Fund is spent in Northern Ireland, the rest going to border areas in the Republic. Programmes financed by the Fund cover business enterprise, tourism, community relations, urban development, agriculture and rural

development. Donors to the Fund include the United States, the European Community, Canada and New Zealand.

Cultural and Social Life

Northern Ireland's heritage is preserved and portrayed by the Ulster Museum in Belfast and the Ulster Folk and Transport Museum in County Down and by a number of smaller museums and interpretive centres. The Ulster-American Folk Park specialises in the history of Irish emigration to America; it is developing an extensive computer database on emigrants which will be available to the public.

Local arts festivals are an important feature of the arts calendar, the highlight being the Belfast Festival based at Queen's University. A success story has been the development of the Ulster Orchestra as a major musical force. Government support for the arts is channelled through the Northern Ireland Arts Council which gives financial help and advice to opera and drama companies, orchestras and festivals, arts centres, writers and artistic groups; the Council has its own gallery in Belfast.

Leisure facilities include 50 centres and 40 swimming pools. Government funds are provided through the Sports Council for Northern Ireland.

Health and personal social services correspond fairly closely to those in the rest of Britain, although the administrative system is different.

Although publicly maintained schools must be open to children from all religions, in practice Roman Catholic and Protestant children are mainly educated in separate schools. A common curriculum is, however, being introduced and this includes history courses designed to help pupils gain a better understanding of the two traditions in Northern Ireland. There are about 16 integrated schools providing education for some 2,800 Protestant and Roman Catholic children and this process is being encouraged by the Government.

In the last ten years the housing stock has increased by about 12 per cent and owner-occupation from 54 per cent to 65 per cent.

The Housing Executive is the sole public housing authority and allocates homes to those in greatest need.

Local television and radio programmes are broadcast and there is a local press. National television and radio broadcasts are also received and the national press is sold widely.

The Social Framework

The underlying causes of the changing lifestyle in Britain in the second half of the twentieth century include a lower birth rate, longer life expectancy, a higher divorce rate, wider educational opportunities, technological progress and a higher standard of living.

POPULATION

According to mid-1990 estimates, Britain's population is 57.4 million. It ranks sixteenth in the world in terms of population. Statistics are derived from the census of population (taken every ten years), with allowance for subsequent births and deaths (obtained from compulsory registration) and migration. The 1991 census included for the first time a question on ethnic grouping.

The British population is expected, on mid-1989 based projections, to be 59.2 million in 2001 and 60 million in 2011.

Birth Rates

In 1991 there were 792,500 live births, slightly fewer than in 1990 but above the level of the late 1980s. The total period fertility rate (an indication of the average family size) remains below 2.1, the level leading to the long-term replacement of the population, although it is projected to increase from 1.8 in 1989 to 2 for women born in or after 1980.

Contributory factors to the relatively low birth rate in recent years (13.8 live births per 1,000 population in 1991) include:

- the trends towards later marriage and towards postponing births, which have led to an increase in the average age of women having children—27.5 years in 1990 compared with 26.7 in 1980;

- the current preference for smaller families than in the past, which has led to a significant decline in the proportion of families with four or more children. In 1990, 65 per cent of families consisted of a married couple with one or two dependent children, compared with 14 per cent of families consisting of a married couple with three or more dependent children; and
- more widespread and effective contraception, making it easier to plan families. Voluntary sterilisation for men and women has also become more common.

Mortality

At birth the expectation of life for a man is about 73 years and for a woman 78 years, compared with 49 years for men and 52 years for women in 1901. There has only been a small increase in life expectancy in the older age groups.

The general death rate has remained roughly the same for the past 40 years, at about 12 per 1,000 population, although in recent years it has been nearer to 11 per 1,000 population. There has been a decline in mortality at most ages, particularly among children. The infant mortality rate (deaths of infants under one year old per 1,000 live births) was 7.4 in 1991; neonatal mortality (deaths of infants under four weeks old per 1,000 live births) was 4.4 in 1991; and maternal mortality is about 0.07 per 1,000 total births. The decline in mortality reflects better nutrition, rising standards of living, the advance of medical science, the growth of medical facilities, improved health measures, better working conditions, education in personal hygiene and the smaller size of families.

Deaths caused by circulatory diseases (including heart attacks and strokes) now account for nearly half of all deaths, and mortality from heart disease in England and Wales remains high compared with that of other developed countries. The next largest cause of death is cancer, which is responsible for nearly one-quarter of deaths.

Cigarette smoking is the greatest preventable cause of illness and death in Britain. However, there has been a significant decline in the incidence of smoking, with 31 per cent of adult males and 29 per cent of adult females smoking cigarettes in 1990, as against 52 and 41 per cent respectively in 1972. In July 1992 the Government set out strategies in England and Scotland for continuing the overall improvement in health, emphasising disease prevention and health promotion.

The Government is pursuing a comprehensive strategy against drug misuse in Britain. Initiatives are aimed at reducing both the supply of, and demand for, drugs. A number of government priorities, to support the overall aims of improving the country's health and providing high-quality care for those who need it, have been listed.

Marriage and Divorce

In 1990 there were 375,400 marriages in Britain, of which 36 per cent were remarriages of one or both parties. Some 34 per cent of all marriages in 1991 were remarriages where one or both parties had been divorced. Of the population aged 16 or over in England and Wales in 1990, 58 per cent were married, 27 per cent single, 9 per cent widowed and 6 per cent divorced. The average age for first marriages in England and Wales is now about 26.1 for men and 24.3 for women.

In 1990 about 13 decrees of divorce were made absolute for every 1,000 married couples in England and Wales. The rates are lower in Scotland and Northern Ireland. In 1990, 153,400 divorces were granted in England and Wales. The average age of people at the time of divorce in England and Wales is now about 38.4 for men and 35.9 for women.

Another feature, common to many other Western European countries, has been an increase in cohabitation. Nearly half of women aged 16 to 55 in Great Britain marrying during the period 1985 to 1989, where the marriage was the first for both parties, had lived with their husbands before marriage (compared with 7 per cent for those married in the early 1970s). About 17 per

cent of non-married women aged 16 to 59 were cohabiting during 1990. Cohabitation occurs more frequently for separated or divorced women than for single women.

There is some evidence of a growing number of stable non-married relationships. Half of all births outside marriage (which now account for 28 per cent of live births in Britain) are registered by both parents giving a single address as their place of residence.

Age and Sex Structure

The total population has remained relatively stable over the last decade. The proportion of young people aged under 16 fell steadily in the early 1980s, but numbers in this age group have increased slightly in the last two years. The proportion of elderly people, especially those aged 85 and over, has continued to increase. The age distribution of the British population in mid-1990 was estimated as follows:

- 20.2 per cent under 16 years of age;
- 64.1 per cent between 16 and 64 years; and
- 15.7 per cent aged 65 and over.

Some 18 per cent of the population were over the normal retirement ages (65 for men and

60 for women), compared with 15 per cent in 1961.

There is a ratio of about 105 females to every 100 males. There are about 5 per cent more male than female births every year. Because of the higher mortality of men at all ages, there is a turning point, at about 50 years of age, beyond which the number of women exceeds the number of men. This imbalance increases with age so that there are many more women among the elderly.

Distribution of Population

The population density is about 237 inhabitants per sq km, which is well above the European Community average of about 145 per sq km. Of the four lands, England is the most densely populated with 367 people per sq km. Scotland is the least densely populated with 66 people per sq km. Wales and Northern Ireland have 139 and 113 people per sq km respectively.

Since the nineteenth century there has been a trend, especially in London, for people to move away from congested urban centres into the suburbs. There has also been a geographical redistribution of the population from Scotland and the northern regions of England to the South East, East

Table 1.2: Size and Population of the Main Urban Areas, Mid-1990

	Area		Population (thousands)
	sq km	sq miles	
Greater London	1,579	609.7	6,794.4
Birmingham	266	102.6	992.8
Leeds	562	217.0	712.2
Glasgow	198	76.3	689.2
Sheffield	368	141.9	525.8
Bradford	367	141.5	468.8
Liverpool	113	43.6	462.9
Manchester	116	44.9	446.7
Edinburgh	261	100.8	434.5
Bristol	110	42.3	374.3
Coventry	97	37.3	303.7
Belfast	121	46.7	295.1
Cardiff	120	46.4	287.2

Source: Office of Population Censuses and Surveys.

Anglia, the South West and the East Midlands in recent decades. An increase in the rate of retirement migration has also occurred, the main recipient areas (where in some towns the retired constitute over one-quarter of the population) being the south coast of England and East Anglia.

Migration

From 1987 to 1991 nearly 1.1 million people left Britain (excluding the Channel Islands and the Isle of Man) to live abroad and about 1.2 million came from overseas to live in Britain, so that net immigration increased the population by about 89,000. (These figures exclude migration to and from the Irish Republic.)

In 1991 the total inflow of people intending to stay in Britain was 267,000, the same as in 1990. The outflow of people leaving to live abroad, at 239,000, was 3 per cent higher than in 1990.

Of the 239,000 departing residents in 1991:

- 27 per cent left for Australia, Canada or New Zealand;
- 15 per cent for other Commonwealth countries;
- 30 per cent for other European Community countries;
- 13 per cent for the United States;
- 5 per cent for the Middle East; and
- 3 per cent for South Africa.

Of the 267,000 new residents in 1991:

- 18 per cent came from Australia, Canada or New Zealand;
- 25 per cent from other Commonwealth countries;
- 27 per cent from other European Community countries;
- 9 per cent from the United States;
- 3 per cent from the Middle East; and
- 3 per cent from South Africa.

Nationality

Under the British Nationality Act 1981 there are three main forms of citizenship:

- British citizenship for people closely connected with Britain, the Channel Islands, and the Isle of Man;
- British Dependent Territories citizenship for people connected with the dependent territories; and
- British Overseas citizenship for those citizens of the United Kingdom and Colonies who did not acquire either of the other citizenships when the 1981 Act came into force.

British citizenship is acquired automatically at birth by a child born in Britain if his or her father or mother is a British citizen or is settled in Britain. A child adopted in Britain by a British citizen is a British citizen. A child born abroad to a British citizen born, adopted, naturalised or registered in Britain is a British citizen by descent. The Act safeguards the citizenship of a child born abroad to a British citizen in Crown service, certain related services, or in service under a European Community institution.

British citizenship may also be acquired:

- by registration of certain children, including those born in Britain who do not automatically acquire such citizenship at birth or who have been born abroad to a parent who is a citizen by descent;
- by British Dependent Territories citizens, British Overseas citizens, British subjects under the Act (three very limited categories), and British Nationals (Overseas) and British protected persons after five years' residence in Britain (except for people from Gibraltar, who may be registered without residence); and
- by naturalisation for Commonwealth citizens, citizens of the Irish Republic, and foreign nationals aged 18 or over.

Naturalisation is at the Home Secretary's discretion: it requires five years' residence, good character, sound mind, the intention to have one's home in Britain thereafter and sufficient knowledge of English, Welsh or Scottish Gaelic, except for the spouse of a British citizen, who needs only three years' residence and no language or future intentions qualification.

Legislation passed in 1983 conferred British citizenship on those Falkland Islanders who did not acquire it under the 1981 Act. Special arrangements covering the status of British Dependent Territories citizens connected with Hong Kong when the territory returns to the People's Republic of China in 1997 are made by the Hong Kong (British Nationality) Order 1986. Under this, such citizens are entitled, before 1997, to acquire a status known as British National (Overseas) and to hold a passport in that status. In addition, the British Nationality (Hong Kong) Act 1990 made provision for the registration as British citizens before 30 June 1997 of up to 50,000 persons who are able to meet certain criteria and who are recommended by the Governor.

In 1991, 58,600 people acquired British citizenship by naturalisation or registration in Britain.

Immigration

Immigration into Britain is controlled under the Immigration Rules made in accordance with legislation passed in the 1970s and 1980s.

British citizens under the British Nationality Act 1981 and those Commonwealth citizens who had the right of abode before 1 January 1983 (when the 1981 Act came into force) maintain the right of abode and are not subject to immigration control. Those who do not have this right require permission to enter and remain in Britain; this is given in accordance with the Immigration Rules, which are subject to the scrutiny of Parliament and which set out the requirements to be met by those seeking entry or to remain for a further period.

The nationals of certain specified countries or territorial entities must obtain a visa before they can enter Britain. Other nationals subject to immigration control require entry clearance when coming to work or to settle in Britain. Visas and other entry clearances are normally obtained from the nearest British diplomatic post in a person's home country.

In accordance with Britain's obligations under the Treaty of Rome, European Community nationals do not require entry

clearances, nor are they subject to restrictions on their freedom to take or seek work in Britain. Britain similarly respects its obligations under the United Nations Convention and Protocol relating to the Status of Refugees. These include granting refugees the right of access to courts and the right to work, to education, to social security and to freedom of religion.

In 1991, 8.1 million foreign and Commonwealth nationals (excluding European Community nationals) were admitted to Britain and 53,900 persons were accepted for settlement.

THE ECONOMIC AND SOCIAL PATTERN

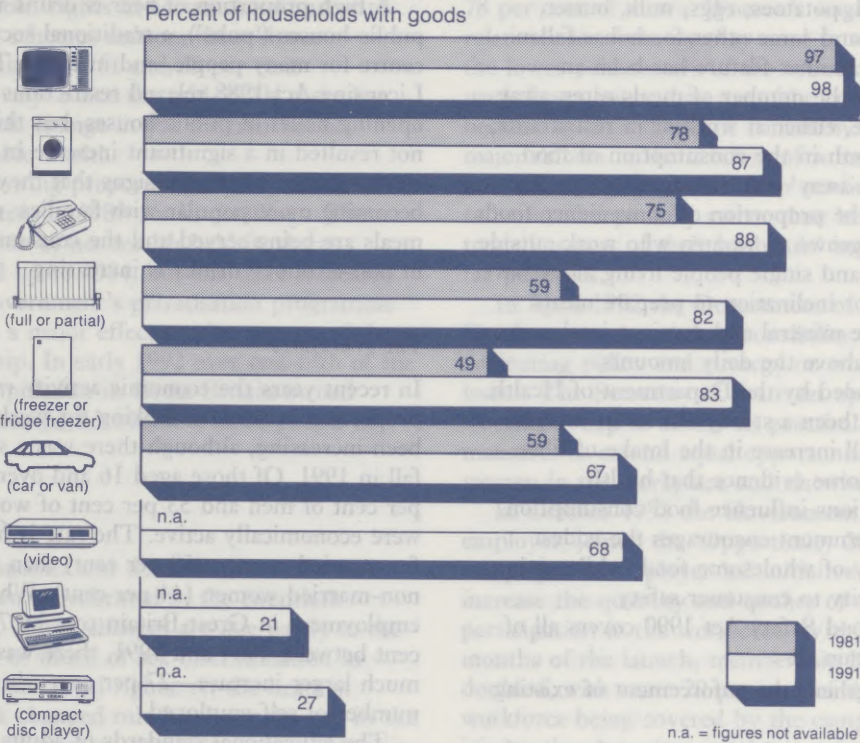
The average size of households in Great Britain has fallen from over four people in 1911 to 3.09 in 1961 and 2.48 in 1991. The fall reflects a greater number of people living on their own (11 per cent), or in one-parent families, the increasing number of old people (more of whom are living alone) and the preference for smaller families.

Housing, Transport and the Environment

A large proportion of households, 67 per cent, own or are buying their own homes. Owner-occupation is higher among married couples than for single, divorced or widowed household heads. The number of owner-occupied dwellings rose from over 4 million in 1951 to over 15 million in 1990. Four-fifths of British households live in houses rather than flats.

An important influence on the planning of housing and services has been the growth of car ownership; in 1991, 67 per cent of households had the use of at least one car or van, including 23 per cent with the use of two or more. Greater access to motorised transport and the construction of a network of modern trunk roads and motorways have resulted in a considerable increase in personal mobility and changed leisure patterns. Most detached or semi-detached houses in new suburban estates have garages. Out-of-town

Availability of Certain Durable Goods



Source: General Household Survey

shopping centres, often including large supermarkets and do-it-yourself stores, are usually planned with the motorist in mind.

The growth in car ownership has brought great benefits but also a number of problems, notably, in many towns and cities, increased congestion, noise and air pollution arising from motor vehicle emissions. Cars, taxis and motor cycles accounted for 86 per cent of all passenger transport in Great Britain in 1990, compared with 55 per cent in 1961. To relieve road congestion, the Government regards carefully targeted improvements to the road system as essential.

Living Standards

Economic Growth

Marked improvements in the standard of living have taken place during the twentieth

century. According to a United Nations report on human development published in 1992, Britain ranked tenth out of 160 countries on a human development index that combines life expectancy, education levels and basic purchasing power.

Britain has also performed well economically. Growth between 1980 and 1990 was higher than in all other major European Community countries except Spain. In the early 1990s Britain and many other industrialised countries have been affected by recession. Gross domestic product in Britain grew by 0.8 per cent in 1990, but declined by 2.4 per cent in 1991.

Eating and Drinking Habits

The general level of nutrition remains high. Over the last 25 years there have been substantial rises in the consumption of poultry, instant coffee and processed

vegetables and fruit, while home consumption per person of mutton and lamb, beef and veal, bread, potatoes, eggs, milk, butter, sugar, tea and some other foods has fallen. However, another feature has been an increase in the number of meals eaten away from home, either at work or in restaurants, and a growth in the consumption of food from 'take-away' and 'fast-food' shops. In addition, the proportion of convenience foods eaten has grown as women who work outside the home and single people living alone have less time or inclination to prepare meals.

Average mineral and nutrient intakes are generally above the daily amounts recommended by the Department of Health. There has been a steady fall in fat intakes, and a small increase in the intake of fibre. There is some evidence that health considerations influence food consumption. The Government encourages the widest availability of wholesome food, while giving high priority to consumer safety.

The Food Safety Act 1990 covers all of Great Britain. It

- strengthens the enforcement of existing law;
- gives powers for immediate closure of food premises when the public health is at risk;
- extends controls throughout the food chain;
- enables detailed legislation to be introduced to keep pace with new technology; and
- increases the penalties for food safety offences.

There has been little change in alcohol consumption in recent years. Beer, lager (now estimated to account for over half of beer sales) and cider are the most popular drinks among male drinkers whose overall consumption is significantly higher than that of women. The largest consumers of alcohol are those aged 18 to 24, with consumption generally declining with age. Consumption of light (table) wine has grown, although there has been little change in the consumption of higher strength wines such as sherry and port. The pattern of spirits consumption has also been changing, with a decline in whisky

and gin, and higher consumption of some other spirits.

A high proportion of beer is drunk in public houses ('pubs'), a traditional social centre for many people, and in clubs. The Licensing Act 1988 relaxed restrictions on the opening hours of public houses, but this has not resulted in a significant increase in consumption. There are signs that they are becoming more popular with families: more meals are being served and the consumption of non-alcoholic drinks is increasing.

The Workforce

In recent years the economic activity rate (the proportion in work or looking for work) has been increasing, although there was a slight fall in 1991. Of those aged 16 and over, 75 per cent of men and 53 per cent of women were economically active. The rate is higher for married women (59 per cent) than for non-married women (44 per cent). While employment in Great Britain rose by 7 per cent between 1984 and 1991, there was a much larger increase—27 per cent—in the number of self-employed.

The educational standards of adults have risen. Over 70 per cent of the workforce has a qualification, compared with 54 per cent in 1981. Some 17 per cent of those in employment are graduates, including over one-quarter of those with managerial or professional jobs.

Income and Wealth

Earnings from employment are the main source of income for most people; in 1990 wages and salaries accounted for 59 per cent of household income.

The distribution of pre-tax income has remained relatively stable over a long period, the lower 50 per cent of income earners accounting for some 22 to 24 per cent of pre-tax income since 1949. The combined effect of the tax system and the receipt of benefits is to redistribute incomes on a more equal basis.

Wealth is less evenly distributed, with the richest 1 per cent of the population aged 18 or over owning 18 per cent of marketable

wealth in 1989, and the richest 10 per cent having 53 per cent. The inclusion of 'non-marketable' rights in occupational and state pension schemes reduces these shares substantially, to 11 and 38 per cent respectively. Since the mid-1970s there has been little change in the distribution of marketable wealth.

A growing proportion of personal wealth—37 per cent in 1989—is in dwellings. The proportion of net wealth held in shares declined up to 1984, but has since increased. The Government's privatisation programme has had a major effect on the pattern of share ownership. In early 1992 over one-fifth of the adult population in Great Britain owned shares, compared with one in 13 people in 1979.

Women

The economic and domestic lives of women have been transformed in the twentieth century. These changes are due partly to the removal of much of sex discrimination in political and legal rights. At the heart of women's changed role has been the rise in the number of women, especially married women, at work. With later marriages and the availability of effective contraception there has been a decline in family size. Women are involved in childbearing for a shorter time and this, together with technological advances which have made housework less onerous and time-consuming, has made it possible for women with children to combine child-rearing with paid employment. The growth of part-time and flexible working patterns, and training and retraining schemes, allows more women to take advantage of employment opportunities.

Women make up more than two-fifths of the workforce. Over two-thirds of non-married women work full time, compared with under half of married women. Married women are most likely to be in full-time work if they are aged 16 to 29 with no children. More than two-fifths of all women in employment work part-time, representing almost nine-tenths of all part-time workers.

Although equal pay legislation was intended to narrow the gap, there is still a difference

between men's and women's earnings. In 1991 women's average hourly earnings were 78 per cent of men's. Women's wages remain relatively low because they tend to work in the lower-paid sectors of the economy and work fewer hours than men (the latter because of their domestic commitments). A major reform in the taxation of women came into effect in 1990, when their earnings began to be taxed separately rather than being treated as part of their husbands' income for tax purposes.

In April 1992 the Department of Employment assumed responsibility for co-ordinating policy and strategy on women's issues. The Secretary of State set up a working group to advise on practical measures to extend equal opportunities for women in the workplace and elsewhere.

In October 1991 the Government, as an employer, joined the 'Opportunity 2000' campaign, an employer-led initiative to increase the quantity and quality of women's participation in the workforce. Within six months of the launch, membership had doubled, with some 20 per cent of the workforce being covered by the campaign. By joining the campaign, employers agree to set voluntary goals to achieve the aims of the campaign.

Equal Opportunities

The Sex Discrimination Acts 1975 and 1986 make discrimination, in certain circumstances, between men and women unlawful in employment, education, training and the provision of housing, goods, facilities and services. Discriminatory job recruitment advertisements are also unlawful. Complaints of discrimination concerning employment are dealt with by industrial tribunals; other complaints are taken before county courts in England and Wales or the Sheriff Court in Scotland. Under the Equal Pay Act 1970, as amended in 1984, women in Great Britain are entitled to equal pay with men when doing work that is the same or broadly similar, or work which is rated as equivalent or work which is of equal value. Parallel legislation on sex discrimination and equal pay is in operation in Northern Ireland.

The Equal Opportunities Commission, set up in 1975 (1976 in Northern Ireland under separate laws), has powers to enforce some parts of the Sex Discrimination and Equal Pay Acts. Its statutory duties are to work towards the elimination of sex discrimination and to promote equality of opportunity. The Commission may advise people of their rights under the Acts and may give financial or other assistance to help individuals conduct a case before a court or tribunal. It is empowered to carry out formal investigations and issue notices requiring discriminatory practices to stop. The Commission also keeps sex discrimination and equal pay legislation under review and submits proposals for amending it to the Government.

Ethnic and National Minorities

For centuries people from overseas have settled in Britain, either to escape political or religious persecution or in search of better economic opportunities.²

The Irish have long formed a large section of the population. Jewish refugees who came to Britain towards the end of the nineteenth century and in the 1930s were followed by other European refugees after 1945. Substantial immigration from the Caribbean and the South Asian sub-continent dates principally from the 1950s and 1960s. There are also sizeable groups from the United States and Canada, as well as Australians, Chinese, Greek and Turkish Cypriots, Italians and Spaniards. More recently people from Latin America, Indo-China and Sri Lanka have sought refuge in Britain.

In 1989–91, according to the results of the Labour Force Survey, the ethnic minority population of Great Britain numbered about 2.7 million (some 4.9 per cent of the total population), of whom 46 per cent were born in Britain. Just over half of the ethnic minority population was of Indian, Pakistani or Bangladeshi origin; less than one-fifth was of Afro-Caribbean ethnic origin; and over one in ten was of mixed ethnic origin.

The survey also indicated that the

proportion of men of working age in Great Britain who were economically active was higher among the white population (89 per cent) than among those from minority ethnic groups (84 per cent of Afro-Caribbeans and Indians and 75 per cent of those of Pakistani/Bangladeshi origin). Among women the variation was greater: 76 per cent of those from the Afro-Caribbean ethnic group were economically active, compared with 72 per cent in the white group, 60 per cent in the Indian group and only 25 per cent in the Pakistani/Bangladeshi group.

Alleviating Racial Disadvantage

Although many members of the black and Asian communities are concentrated in the inner cities, where there are problems of deprivation and social stress, progress has been made over the last 20 years in tackling racial disadvantage in Britain.

Many individuals have achieved distinction in their careers and in public life, and the proportion of ethnic minority members occupying professional and managerial positions is increasing. In law, for example, an estimated 6 per cent of practising barristers are of ethnic minority origin. There are at present six ethnic minority Members of Parliament, and the number of ethnic minority councillors in local government is growing. There has also been an expansion of commercial enterprise, and numerous self-help projects in ethnic minority communities have been established. Black competitors have represented Britain in a range of sporting activities, and ethnic minority talents in the arts and in entertainment have increasingly been recognised.

The principal means of combating disadvantage is through the economic, environmental, educational and health programmes of central government and local authorities. There are also special allocations, mainly through Home Office grants and the Urban Programme, which channel extra resources into projects of specific benefit to ethnic minorities. These include, for example, the provision of specialist teachers for children needing English language tuition, business support services, and measures to

²For further information see *Ethnic Minorities* (Aspects of Britain: HMSO, 1991).

revive local economies and improve the inner city environment. Cultural and recreational schemes and the health and personal social services also take account of the particular needs of ethnic minorities.

The Government is encouraging the development of black businesses in inner city areas through the Ethnic Minority Business Initiative. It is also promoting equal opportunities for ethnic minorities through training programmes, including greater provision for unemployed people who need training in English as a second language.

Ethnic Minorities and the Police

In recognition of the tensions that can arise between the police and ethnic minorities, there is statutory consultation between the police and the community. In addition, liaison work is undertaken in schools.

Police training in race relations has received particular attention. A specialist unit, launched in 1989 and run by an independent company, provides police forces with practical help and support in community and race relations training.

Campaigns are run by the police to encourage the recruitment of officers from the ethnic minority communities and racially discriminatory behaviour by officers has been made an offence under the police discipline code. All police forces are fully aware of the need to respond to reports of racially motivated crime as a priority.

Race Relations Act 1976

Equal opportunities policies are backed up by legislation against racial discrimination. The Race Relations Act 1976, which strengthened previous legislation passed in the 1960s, makes discrimination unlawful on grounds of colour, race, nationality or ethnic or national origin in the provision of goods, facilities and services, in employment, in housing and in advertising. The 1976 Act also gave complainants direct access to civil courts and, for employment complaints, to industrial tribunals.

It is a criminal offence to incite racial hatred under the provisions of the Public Order Act 1986.

Commission for Racial Equality

The Commission for Racial Equality was established by the 1976 Act. It has power to investigate unlawful discriminatory practices and to issue non-discrimination notices, requiring such practices to cease. It has an important educational role and has issued codes of practice in employment, education, health care and housing. It also provides the main advice to the general public about the Race Relations Act and has discretion to assist individuals with their complaints about racial discrimination. In 1991 the Commission registered 1,655 applications for assistance and handled successfully 137 litigation cases. It can also undertake or fund research.

The Commission supports the work of over 80 race equality councils, which are autonomous voluntary bodies set up in most areas with a significant ethnic minority population to promote equality of opportunity and good relations at the local level. It helps pay the salaries of the race equality officers employed by the councils, most of whom also receive funds from their local government authorities, and gives grants to ethnic minority self-help groups and to other projects run by or for the benefit of the minority communities.

Leisure Trends

Agreed hours of full-time work are usually from 35 to 40 hours a week, although many people actually work longer because of voluntary overtime.

Over 13 per cent of total household expenditure went on leisure goods and services in 1990. The most common leisure activities are home-based, or social, such as visiting relatives or friends. Television viewing is by far the most popular leisure pastime, and nearly all households have a television set, with 95 per cent in 1991 having a colour set. Average viewing time is about 24 hours a week. Television viewing has been declining slightly, but there has been a significant increase in watching video cassettes. Some 68 per cent of households now have at least one video recorder, compared with 31 per cent in 1985.

Purchases of compact discs have risen very rapidly, and the proportion of households with a compact disc player has grown considerably, from 15 per cent in 1989 to 27 per cent in 1991. In 1990 people made on average 1.5 visits to the cinema (compared with 23 in 1959).

Other popular pursuits include: listening to radio, reading, do-it-yourself home improvements, gardening and going out for a meal or for a drink. About half of households have a pet, the most common being dogs and cats, of which there are thought to be roughly 7 million of each in Britain.

Many people give up free time to work for voluntary organisations, of which there are over 250,000 in England and Wales. It is estimated that about one-quarter of the population is involved in some way in voluntary work in Britain. Fund-raising is the most frequently mentioned activity. Voluntary environmental organisations, for example, have experienced consistent growth since 1971. The largest of these is the National Trust, with over 2 million members.

Holidays

In 1990, about 90 per cent of full-time manual employees were entitled to more than four weeks paid holiday and 30 per cent to

five weeks; in 1961, 97 per cent were entitled to only two weeks. In 1991, 60 per cent of the adult population took at least one long holiday of four or more nights away from home. The number of long holidays taken by British residents was 54 million in 1991 (compared with 48 million in 1978), of which 34 million were taken in Britain. The most frequented free attraction in 1991 was Blackpool Pleasure Beach (Lancashire). The most popular destinations for summer holidays are the West Country, Scotland, and Wales.

In 1991 the most popular destinations for overseas holidays by British residents were:

- Spain (23 per cent);
- France (15 per cent);
- the United States (9 per cent); and
- Greece (7 per cent).

In all, British residents took 20 million holidays overseas in 1991, of which 54 per cent involved 'package' arrangements. About 74 per cent of all holidays abroad are taken in Europe. The proportion of adults taking two or more holidays a year was 24 per cent in 1991.

2 Government

Development of the British System of Government

The growth of political institutions in England can be traced back to the period of Saxon rule, which lasted from the fifth century AD until the Norman Conquest in 1066 (see p 2). This period saw the origins of the institution of kingship, and of the idea that the king should seek the advice of a council of prominent men.

The period of Norman rule after 1066 saw a considerable strengthening of royal control. However, the monarchy eventually experienced difficulties in controlling the growing machinery of government. The actions of King John (1199–1216) led to opposition from feudal barons and leading figures in the Church. In 1215 the barons forced the King to agree to a series of concessions embodied in a charter which became known as *Magna Carta*. The charter, which provided for the protection of the rights of feudal proprietors against the abuse of royal power, came to be regarded as the key expression of the rights of the community against the Crown.

The term 'Parliament' was first officially used in 1236 to describe the gathering of feudal barons and representatives of counties and towns which the king summoned if extraordinary taxation was required. By the fifteenth century Parliament had acquired the right to make laws (see p 39).

A clash between the monarchy, which insisted on its divine right to rule, and Parliament, which insisted on its legislative authority, led to the outbreak of the Civil War in 1642. Following the defeat of the royalist armies and the execution of King Charles I in 1649, the monarchy and the House of Lords were abolished and the country was proclaimed a republic. However the republican experiment came to an end in

1660, two years after the death of the 'Lord Protector', Oliver Cromwell. Charles I's son was restored to the throne as King Charles II.

Charles II's successor, King James II (1685–88), attempted to rule without the consent of Parliament. As a result, in 1688 a group of leading men invited William of Orange (a grandson of Charles I and the husband of Mary, James II's eldest daughter) to 'secure the infringed liberties' of the country. James II fled into exile. Following the success of the revolution of 1688, Parliament in 1689 passed the Bill of Rights, which made it impracticable for the Sovereign to ignore the wishes of Parliament. However, the monarch continued to be at the centre of executive power. To enable the Sovereign and Parliament to work together to carry on the government of the country, a group of ministers, or cabinet, became the link between the executive and the legislature. Although the ministers were appointed by the Sovereign, they had to have sufficient support in the House of Commons to enable them to persuade Parliament to pass legislation and vote for taxation.

Under the Hanoverian dynasty, which acceded to the throne in 1714, the monarch ceased to attend Cabinet meetings. Instead, the Cabinet was presided over by the Lord Treasurer, who came to be known as the Prime Minister. The first two Hanoverian monarchs also ceased to exercise executive power directly, and thereafter the executive power wielded by the Cabinet tended to increase. Sir Robert Peel, Prime Minister from 1841 to 1846, was probably the first holder of his office to perform a role similar to that of a modern Prime Minister. Since the mid-nineteenth century the Prime Minister has normally been the leader of the party with a majority in the House of Commons.

The Reform Act 1832 reformed the

system of parliamentary representation, which dated from medieval times. It also standardised the qualifications for the right to vote. The Act started a train of events which led to all adults (with a few exceptions—see p 35) receiving the vote and direct popular control over the House of Commons, a process which was completed in the early part of the twentieth century.

The British Constitution

The British constitution is to a large extent a product of the historical events described above, and has thus evolved over many centuries. Unlike the constitutions of most other countries, it is not set out in any single document. Instead it is made up of statute law, common law and conventions. (Conventions are rules and practices which are not legally enforceable but which are regarded as indispensable to the working of government; many are derived from the historical events described above.)

The constitution can be altered by Act of Parliament, or by general agreement to alter a convention. The constitution is thus adaptable to changing political conditions.

The organs of government overlap but can be clearly distinguished. Parliament is the legislature and the supreme authority. The executive consists of:

- the Government—the Cabinet and other ministers responsible for national policies;
- government departments, responsible for national administration;
- local authorities, responsible for many local services; and
- public corporations, responsible for operating particular nationalised industries or other bodies, subject to ministerial control.

The judiciary (see Chapter 5) determines common law and interprets statutes, and is independent of both legislature and executive.

The Monarchy

The monarchy is the oldest institution of government, going back to at least the ninth century—four centuries before parliament.

Queen Elizabeth II is herself directly descended from King Egbert, who united England under his rule in 829. The only interruption in the history of the monarchy was the republic, which lasted from 1649 to 1660 (see p 27).¹

Today the Queen is not only head of State, but also an important symbol of national unity. The royal title in Britain is: 'Elizabeth the Second, by the Grace of God of the United Kingdom of Great Britain and Northern Ireland and of Her other Realms and Territories Queen, Head of the Commonwealth, Defender of the Faith'.

In the Channel Islands and the Isle of Man the Queen is represented by a Lieutenant-Governor.

The Commonwealth

Although the seat of the monarchy is in Britain, the Queen is also head of State of a number of Commonwealth states.² In each such state the Queen is represented by a Governor-General, appointed by her on the advice of the ministers of the country concerned and completely independent of the British Government. In each case the form of the royal title varies. Other member states are republics or have their own monarchies.

In British dependent territories the Queen is usually represented by governors, who are responsible to the British Government for the administration of the countries concerned.

Succession

The title to the Crown is derived partly from statute and partly from common law rules of descent. Despite interruptions in the direct line of succession, the hereditary principle upon which it was founded has always been preserved.

Sons of the Sovereign have precedence

¹ For further details see *The Monarchy* (Aspects of Britain: HMSO, 1991).

² The other Commonwealth countries of which the Queen is head of State are: Antigua and Barbuda, Australia, Bahamas, Barbados, Belize, Canada, Grenada, Jamaica, New Zealand, Papua New Guinea, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Solomon Islands and Tuvalu.

over daughters in succeeding to the throne. When a daughter succeeds, she becomes Queen Regnant, and has the same powers as a king. The consort of a king takes her husband's rank and style, becoming Queen. The constitution does not give any special rank or privileges to the husband of a Queen Regnant, although in practice he fills an important role in the life of the nation, as does the Duke of Edinburgh.

Under the Act of Settlement of 1700, which formed part of the Revolution Settlement following the events of 1688 (see p 27), only Protestant descendants of a granddaughter of James I of England and VI of Scotland (Princess Sophia, the Electress of Hanover) are eligible to succeed. The order of succession can be altered only by common consent of the countries of the Commonwealth.

Accession

The Sovereign succeeds to the throne as soon as his or her predecessor dies: there is no interregnum. He or she is at once proclaimed at an Accession Council, to which all members of the Privy Council (see p 46) are summoned. The Lords Spiritual and Temporal (see p 33), the Lord Mayor and Aldermen and other leading citizens of the City of London are also invited.

Coronation

The Sovereign's coronation follows the accession after a convenient interval. The ceremony takes place at Westminster Abbey in London, in the presence of representatives of the Houses of Parliament and of all the great public organisations in Britain. The Prime Ministers and leading members of the other Commonwealth nations and representatives of other countries also attend.

The Monarch's Role in Government

The Queen personifies the State. In law, she is head of the executive, an integral part of

the legislature, head of the judiciary, the commander-in-chief of all the armed forces of the Crown and the 'supreme governor' of the established Church of England. As a result of a long process of evolution, during which the monarchy's absolute power has been progressively reduced, the Queen acts on the advice of her ministers. Britain is governed by Her Majesty's Government in the name of the Queen.

Within this framework, and in spite of a trend during the past hundred years towards giving powers directly to ministers, the Queen still takes part in some important acts of government. These include summoning, proroguing (discontinuing until the next session without dissolution) and dissolving Parliament; and giving Royal Assent to Bills passed by Parliament. The Queen also formally appoints many important office holders, including government ministers, judges, officers in the armed forces, governors, diplomats, bishops and some other senior clergy of the Church of England. She is also involved in conferring peerages, knighthoods and other honours;³ and pardoning people convicted of crimes. An important function is appointing the Prime Minister: by convention the Queen invites the leader of the political party which commands a majority in the House of Commons to form a government. In international affairs the Queen, as head of State, has the power to declare war and make peace, to recognise foreign states and governments, to conclude treaties and to annex or cede territory.

With rare exceptions (such as appointing the Prime Minister), acts involving the use of 'royal prerogative' powers are nowadays performed by government ministers. The ministers are responsible to Parliament and can be questioned about particular policies. Parliamentary authority is not required for the exercise of these prerogative powers, although Parliament has the power to restrict or abolish such rights.

³ Although most honours are conferred by the Queen on the advice of the Prime Minister, a few are granted by her personally—the Order of the Garter, the Order of the Thistle, the Order of Merit and the Royal Victorian Order. For further details see *Honours and Titles* (Aspects of Britain: HMSO, 1992).

The Queen continues to play an important role in the working of government. She holds meetings of the Privy Council, gives audiences to her ministers and other officials in Britain and overseas, receives accounts of Cabinet decisions, reads dispatches and signs state papers. She must be consulted on every aspect of national life, and she must show complete impartiality.

Provision has been made to appoint a regent to perform these royal functions should the Queen be totally incapacitated. The regent would be the Queen's eldest son, the Prince of Wales, then those, in order of succession to the throne, who are of age. In the event of the Queen's partial incapacity or absence abroad, the Queen may delegate certain royal functions to the Counsellors of State (the Duke of Edinburgh, the four adults next in line of succession, and the Queen Mother). However, Counsellors of State may not, for instance, dissolve Parliament (except on the Queen's instructions), nor create peers.

Ceremonial and Royal Visits

Ceremonial has always been associated with the British monarchy, and, in spite of changes in the outlook of both the Sovereign and the people, many traditional ceremonies continue to take place. Royal marriages and royal funerals are marked by public ceremony, and the Sovereign's birthday is officially celebrated in June by Trooping the Colour on Horse Guards Parade. State banquets take place when a foreign monarch or head of State visits Britain; investitures are held at Buckingham Palace and the Palace of Holyroodhouse in Scotland to bestow honours; and royal processions add significance to such occasions as the state opening of Parliament.

Each year the Queen and other members of the royal family visit many parts of Britain. Their presence at events of national and local importance attracts considerable interest and publicity. They are also closely involved in the work of many charities. The Queen pays state visits to foreign governments, accompanied by the Duke of Edinburgh. She also tours the other countries

of the Commonwealth. Other members of the royal family pay official visits overseas, occasionally representing the Queen, or often in connection with an organisation or a cause with which they are associated.

Royal Income and Expenditure

Until 1760 the Sovereign had to provide for payment of all government expenses, including the salaries of officials and the expenses of the royal palaces and households. These were met from hereditary revenues, mainly income from Crown lands, and income from some other sources granted to the monarch by Parliament. The income from these sources eventually proved inadequate and in 1760 King George III turned over to the Government most of the hereditary revenue. In return he received an annual grant (Civil List) from which he continued to pay the royal expenditure of a personal character and also the salaries of government officials and certain pensions. The latter charges were removed from the Civil List in 1830.

Present Arrangements

Today the expenditure incurred by the Queen in carrying out her public duties is financed from the Civil List and from government departments (which meet the cost of, for example, the Royal Yacht and the aircraft of the Queen's Flight). All such expenditure is approved by Parliament. In 1991 Civil List payments were fixed at £7.9 million a year for ten years. About three-quarters of the Queen's Civil List provision is required to meet the cost of staff. These deal with, among other things, state papers and correspondence, the organisation of state occasions, visits and other public engagements undertaken by the Queen in Britain and overseas. The Queen's private expenditure as Sovereign is met from the Privy Purse, which is financed mainly from the revenue of the Duchy of Lancaster;⁴ her

⁴ The Duchy of Lancaster is an inheritance which, since 1399, has always been enjoyed by the reigning Sovereign. It is kept quite apart from his or her other possessions and is separately administered by the Chancellor of the Duchy of Lancaster.

expenditure as a private individual is met from her own personal resources.

Under the Civil List Acts, other members of the royal family also receive annual parliamentary allowances to enable them to carry out their public duties. The Prince of Wales, however, receives no such allowance, since as Duke of Cornwall he is entitled to the income of the estate of the Duchy of Cornwall. (He voluntarily surrenders a quarter of this revenue to the Government.) Each year the Queen pays the Government a sum equivalent to that provided by Parliament for certain members of the royal family.

Parliament

Origins of Parliament

The medieval kings were expected to meet all royal expenses, private and public, out of their own revenue. If extra resources were needed for some emergency, such as a war, the Sovereign would seek to persuade his barons, in the Great Council—a gathering of leading men which met several times a year—to grant an aid. During the thirteenth century several kings found the private revenues and baronial aids insufficient to meet the expenses of government. They therefore summoned to their Great Council not only the great feudal magnates but also representatives of counties, cities and towns, primarily in order to get their assent to extraordinary taxation. In this way the Great Council came to include those who were summoned by name (those who, broadly speaking, were to form the House of Lords) and those who were representatives of communities—the commons. The two parts, together with the Sovereign, became known as ‘Parliament’ (the term originally meant a meeting for parley or discussion).

Over the course of time the commons began to realise the strength of their position. By the middle of the fourteenth century the formula had appeared which in substance was the same as that used nowadays in voting supplies to the Crown—namely, ‘by the Commons with the advice of the Lords Spiritual and Temporal’. In 1407 Henry IV pledged that henceforth all money grants

should be approved by the House of Commons before being considered by the Lords.

A similar advance was made in the legislative field. Originally the King’s legislation needed only the assent of his councillors. Starting with the right of individual commoners to present petitions, the Commons as a body gained the right to submit collective petitions. Later, during the fifteenth century, they gained the right to participate in giving their requests—their ‘Bills’—the form of law.

The subsequent development of the power of the House of Commons was built upon these foundations. The constitutional developments of the seventeenth century (see p 27) led to Parliament securing its position as the supreme legislative authority.

The Powers of Parliament

The three elements which make up Parliament—the Queen, the House of Lords and the elected House of Commons—are constituted on different principles.⁵ They meet together only on occasions of symbolic significance such as the state opening of Parliament, when the Commons are summoned by the Queen to the House of Lords. The agreement of all three elements is normally required for legislation, but that of the Queen is given as a matter of course to Bills sent to her.

Parliament can legislate for Britain as a whole, or for any part of the country. It can also legislate for the Channel Islands and the Isle of Man, which are Crown dependencies and not part of Britain. They have local legislatures which make laws on island affairs.⁶

As there are no legal restraints imposed by a written constitution, Parliament may legislate as it pleases. It can make or change any law, and overturn established conventions or turn them into law. It can even prolong its own life beyond the normal period without consulting the electorate.

⁵ For further details see *Parliament* (Aspects of Britain: HMSO, 1991).

⁶ For further details see *The British System of Government* (Aspects of Britain: HMSO, 1992).

In practice, however, Parliament does not assert its supremacy in this way. Its members bear in mind the common law and normally act in accordance with precedent. The validity of an Act of Parliament, once passed, cannot be disputed in the law courts. The House of Commons is directly responsible to the electorate, and in this century the House of Lords has recognised the supremacy of the elected chamber. The system of party government helps to ensure that Parliament legislates with its responsibility to the electorate in mind.

The European Community

As a member of the European Community, Britain recognises the various types of Community legislation and wider policies. It sends 81 elected members to the European Parliament (see pp 63–4).

The Functions of Parliament

The main functions of Parliament are:

- to pass laws;
- to provide, by voting taxation, the means of carrying on the work of government;
- to scrutinise government policy and administration, including proposals for expenditure; and
- to debate the major issues of the day.

In carrying out these functions Parliament helps to bring the relevant facts and issues before the electorate. By custom, Parliament is also informed before all important international treaties and agreements are ratified. The making of treaties is, however, a royal prerogative exercised on the advice of the Government and is not subject to parliamentary approval.

The Meeting of Parliament

A Parliament has a maximum duration of five years, but in practice general elections are usually held before the end of this term. The maximum life has been prolonged by legislation in rare circumstances such as the two world wars. Parliament is dissolved

and writs for a general election are ordered by the Queen on the advice of the Prime Minister.

The life of a Parliament is divided into sessions. Each usually lasts for one year—normally beginning and ending in October or November. There are ‘adjournments’ at night, at weekends, at Christmas, Easter and the late Spring Bank Holiday, and during a long summer break starting in late July or early August. The average number of ‘sitting’ days in a session is about 168 in the House of Commons and about 150 in the House of Lords. At the start of each session the Queen’s speech to Parliament outlines the Government’s policies and proposed legislative programme. Each session is ended by prorogation. Parliament then ‘stands prorogued’ for about a week until the new session opens. Prorogation brings to an end nearly all parliamentary business: in particular, public Bills which have not been passed by the end of the session are lost.

The House of Lords

The House of Lords consists of the Lords Spiritual and the Lords Temporal. The Lords Spiritual are the Archbishops of Canterbury and York, the Bishops of London, Durham and Winchester, and the 21 next most senior diocesan bishops of the Church of England. The Lords Temporal consist of:

- all hereditary peers and peeresses of England, Scotland, Great Britain and the United Kingdom;
- life peers created to assist the House in its judicial duties (Lords of Appeal or ‘law lords’);⁷ and
- all other life peers.

Hereditary peerages carry a right to sit in the House (with certain exceptions), provided holders establish their claim and are aged 21 years or over. However, anyone succeeding to a peerage may, within 12 months of succession, disclaim that peerage for his or her lifetime. Disclaimants lose their right to

⁷ The House of Lords is the final court of appeal for civil cases in Britain and for criminal cases in England, Wales and Northern Ireland.

sit in the House but gain the right to vote and stand as candidates at parliamentary elections.

Peerages, both hereditary and life, are created by the Sovereign on the advice of the Prime Minister. They are usually granted in recognition of service in politics or other walks of life or because one of the political parties wishes to have the recipient in the House of Lords. The House also provides a place in Parliament for people who offer useful advice, but do not wish to be involved in party politics.

In mid-1992 there were 1,211 members of the House of Lords, including the two archbishops and 24 bishops. The Lords Temporal consisted of 758 hereditary peers who had succeeded to their titles, 19 hereditary peers who have had their titles conferred on them (including the Prince of Wales), and 408 life peers, of whom 20 were 'law lords'. Of the total, 80 peers did not receive a writ of summons and some 99 peers were on leave of absence from the House.⁸ Holders of Irish peerages are not entitled to membership of the House of Lords, but some peers of Ireland sit in the House of Lords as holders of English, Scottish, Great Britain or United Kingdom peerages.

Not all peers with a right to sit in the House of Lords attend the sittings. Peers who attend the House (the average daily attendance is some 320) receive no salary for their parliamentary work, but can claim for expenses incurred in attending the House (for which there are maximum daily rates) and certain travelling expenses.

Officers of the House of Lords

The House is presided over by the Lord Chancellor, who takes his place on the woolsack⁹ as ex-officio Speaker of the House. In his absence his place is taken by a

deputy speaker, a deputy chairman or, if neither is present, by a speaker chosen by the Lords present. The first of the deputy speakers is the Chairman of Committees, who is appointed at the beginning of each session and normally chairs most committees. The Chairman and the Principal Deputy Chairman of Committees are Lords, but receive salaries as officers of the House.

The permanent officers of the House include the Clerk of the Parliaments, who is responsible for the records of proceedings and for making known to the public Acts of Parliament. He is the accounting officer for money voted to the House, and is in charge of the administrative staff of the House, known as the Parliament Office. The Gentleman Usher of the Black Rod, who is also Serjeant-at-Arms in attendance upon the Lord Chancellor, is responsible for security, accommodation and services in the House of Lords' part of the Palace of Westminster. The Yeoman Usher is Deputy Serjeant-at-Arms and assists Black Rod in his duties.

The House of Commons

The House of Commons is elected by universal adult suffrage (see p 35) and consists of 651 Members of Parliament (MPs). At present there are 60 women, three Asian and three black MPs. Of the 651 seats, 524 are for England, 38 for Wales, 72 for Scotland, and 17 for Northern Ireland.

General elections are held after a Parliament has been dissolved and a new one summoned by the Queen. When an MP dies or resigns,¹⁰ or is given a peerage, a by-election takes place. Members are paid an annual salary of £30,854 (from January 1992) and an office costs allowance of up to £39,960. There are also a number of other allowances, including travel allowances, a supplement for London members and, for provincial members, subsistence allowances and allowances for second homes. (For ministers' salaries see p 45.)

⁸ Some hereditary peers do not establish their claim to succeed and so do not receive a writ of summons entitling them to sit in the House. Lords may apply for leave of absence for the duration, or for the remainder of a Parliament.

⁹ The woolsack is a seat in the form of a large cushion stuffed with wool from several Commonwealth countries; it is a tradition dating from the medieval period, when wool was the chief source of the country's wealth.

¹⁰ An MP who wishes to resign from the House can only do so by applying for an office under the Crown as Crown Steward or Bailiff of the Chiltern Hundreds, or Steward of the Manor of Northstead.

Officers of the House of Commons

The chief officer of the House of Commons is the Speaker, elected by MPs to preside over the House. Other officers include the Chairman of Ways and Means and two deputy chairmen, who act as Deputy Speakers. They are elected by the House on the nomination of the Government but are drawn from the Opposition as well as the government party. They, like the Speaker, neither speak nor vote other than in their official capacity. Overall responsibility for the administration of the House rests with the House of Commons Commission, a statutory body chaired by the Speaker.

Permanent officers (who are not MPs) include the Clerk of the House of Commons, who is the principal adviser to the Speaker on its privileges and procedures. The Clerk's departmental responsibilities relate to the conduct of the business of the House and its committees. The Clerk is also accounting officer for the House. The Serjeant-at-Arms, who waits upon the Speaker, carries out certain orders of the House. He is also the official housekeeper of the Commons' part of the building, and is responsible for security. Other officers serve the House in the Library, the Department of the Official Report (*Hansard*), the Finance and Administration Department and the Refreshment Department.

Parliamentary Electoral System

For electoral purposes Britain is divided into constituencies, each of which returns one member to the House of Commons.¹¹ To ensure the size of constituencies is kept roughly equivalent, four permanent Parliamentary Boundary Commissions, one each for England, Wales, Scotland and Northern Ireland, review the constituencies periodically. They recommend any adjustment of seats that may seem necessary in the light of population movements or other changes. The Government has introduced legislation to shorten the intervals

at which reviews are carried out. Elections are by secret ballot.

Voters

British citizens, together with citizens of other Commonwealth countries and citizens of the Irish Republic resident in Britain, may vote provided they are aged 18 or over, included in the annual register of electors for the constituency and not subject to any disqualification. People not entitled to vote include members of the House of Lords, patients detained under mental health legislation, sentenced prisoners and people convicted within the previous five years of corrupt or illegal election practices. Members of the armed forces, Crown servants and staff of the British Council employed overseas (together with their wives or husbands if accompanying them) may be registered for an address in the constituency where they would live but for their service. The Representation of the People Act 1989 extended the right to vote for British citizens living abroad by increasing from 5 to 20 years the period during which they may apply to be registered to vote.

Voting Procedures

Each elector may cast one vote, normally in person at a polling station. Electors whose circumstances on polling day are such that they cannot reasonably be expected to vote in person at their local polling station—for example, electors away on holiday—may apply for an absent vote at a particular election. Electors who are physically incapacitated or unable to vote in person because of the nature of their work or because they have moved to a new area may apply for an indefinite absent vote. People entitled to an absent vote may vote by post or by proxy, although postal ballot papers cannot be sent to addresses outside Britain. Electors who are physically incapacitated or unable to vote in person because of the nature of their work may vote either by post (unless they are abroad at the time of the election) or by proxy for an indefinite period.

Voting is not compulsory; 76.9 per cent of

¹¹ For further details see *Parliamentary Elections* (Aspects of Britain: HMSO, 1991).

a total electorate of 43.3 million people voted in the general election in April 1992. The simple majority system of voting is used. Candidates are elected if they have more votes than any of the other candidates (although not necessarily an absolute majority over all other candidates).

Candidates

British citizens and citizens of other Commonwealth countries, together with citizens of the Irish Republic, may stand for election as MPs provided they are aged 21 or over and are not disqualified. Those disqualified include undischarged bankrupts; people sentenced to more than one year's imprisonment; clergy of the Church of England, Church of Scotland, Church of Ireland and Roman Catholic Church; peers; and holders of certain offices listed in the House of Commons Disqualification Act 1975. The latter include holders of judicial office, civil servants, some local government officers, members of the regular armed forces, police officers, some members of public corporations and government commissions, and British members of the legislature of any country outside the Commonwealth. A candidate's nomination for election must be proposed and seconded by two electors registered as voters in the constituency and signed by eight other electors.

Candidates do not have to be backed by a political party. A candidate must also deposit £500, which is returned if he or she receives 5 per cent or more of the votes cast.

The maximum sum a candidate may spend on a general election campaign is £4,330 plus 3.7 pence for each elector in a borough constituency, or 4.9 pence for each elector in a county constituency. Higher limits have been set for by-elections in order to reflect the fact that they are often regarded as tests of national opinion in the period between general elections. The maximum sum is £17,323 plus 14.7 pence for each elector in borough seats, and 19.4 pence for each elector in county seats. A candidate may post an

election address to each elector in the constituency, free of charge. All election expenses, apart from the candidate's personal expenses, are subject to the statutory limit.

The Political Party System

The party system, which has existed in one form or another since the eighteenth century, is an essential element in the working of the constitution.¹²

The present system depends upon the existence of organised political parties, each of which presents its policies to the electorate for approval. The parties are not registered or formally recognised in law, but in practice most candidates in elections, and almost all winning candidates, belong to one of the main parties.

For the last 150 years a predominantly two-party system has existed. Since 1945 either the Conservative Party, the origins of which go back to the eighteenth century, or the Labour Party, which emerged in the last decade of the nineteenth century, has held power. A new party—the Liberal Democrats—was formed in 1988 when the Liberal Party, which could trace its origins to the eighteenth century, merged with the Social Democratic Party, which was formed in 1981. Other parties include two nationalist parties, Plaid Cymru (founded in Wales in 1925) and the Scottish National Party (founded in 1934). In Northern Ireland there are a number of parties. They include the Ulster Unionist Party, which was formed in the early part of this century; the Democratic Unionist Party, founded in 1971 by a group which broke away from the Ulster Unionists; and the Social Democratic and Labour Party, founded in 1970.

Since 1945 eight general elections have been won by the Conservative Party and six by the Labour Party; the great majority of members of the House of Commons have belonged to one of these two parties. The percentages of votes cast for the main political parties in the last general election of April 1992 and the resulting distribution of

¹² For further details see *Organisation of Political Parties* (Aspects of Britain: HMSO, 1991).

seats in the House of Commons are shown in Table 2.1.

The party which wins most seats (although not necessarily the most votes) at a general election, or which has the support of a majority of members in the House of Commons, usually forms the Government. By tradition, the leader of the majority party is asked by the Sovereign to form a government. About 100 of its members in the House of Commons and the House of Lords receive ministerial appointments (including appointment to the Cabinet—see p 45) on the advice of the Prime Minister. The largest minority party becomes the official Opposition, with its own leader and ‘shadow cabinet’.

The Party System in Parliament

Leaders of the Government and Opposition sit on the front benches of the Commons with their supporters (the backbenchers) sitting behind them.

Similar arrangements for the parties also apply to the House of Lords; however, Lords who do not wish to be associated with any political party may sit on the ‘cross-benches’.

The effectiveness of the party system in Parliament rests largely on the relationship between the Government and the opposition parties. Depending on the relative strengths of the parties in the House of Commons, the Opposition may seek to overthrow the Government by defeating it in a vote on a

‘matter of confidence’. In general, however, its aims are to contribute to the formulation of policy and legislation by constructive criticism; to oppose government proposals it considers objectionable; to seek amendments to government Bills; and to put forward its own policies in order to improve its chances of winning the next general election.

Government business arrangements are settled, under the direction of the Prime Minister and the Leaders of the two Houses, by the Government Chief Whip in consultation with the Opposition Chief Whip. The Chief Whips together constitute the ‘usual channels’ often referred to when the question of finding time for a particular item of business is discussed. The Leaders of the two Houses are responsible for enabling the Houses to debate matters about which they are concerned.

Outside Parliament, party control is exercised by the national and local organisations. Inside, it is exercised by the Chief Whips and their assistants, who are chosen within the party. Their duties include keeping members informed of forthcoming parliamentary business, maintaining the party’s voting strength by ensuring members attend important debates, and passing on to the party leadership the opinions of backbench members. The Whips indicate the importance their party attaches to a vote on a particular issue by underlining items of business (once, twice or three times) on the notice sent to MPs. Failure to comply with a

Table 2.1: Percentages of Votes Cast, and Members Elected, in the 1992 General Election

Party	% of votes cast	Party	Members elected
Conservative	41.9	Conservative	336
Labour	34.4	Labour	271
Liberal Democrat	17.8	Liberal Democrat	20
Others	5.9	Scottish National	3
		Plaid Cymru (Welsh Nationalist)	4
		Ulster Unionist (Northern Ireland)	9
		Democratic Unionist (Northern Ireland)	3
		Ulster Popular Unionist (Northern Ireland)	1
		Social Democratic and Labour (Northern Ireland)	4
		Total	651

'three-line whip' (the most important) is usually seen as a rebellion against the party. Party discipline tends to be less strong in the Lords than in the Commons, since Lords have less hope of high office and no need of party support in elections.

The formal title of the Government Chief Whip in the Commons is Parliamentary Secretary to the Treasury. Of the other Government Whips, three are officers of the Royal Household (one of these is Deputy Chief Whip), five hold titular posts as Lords Commissioners of the Treasury and five are Assistant Whips. Salaries are also paid to the Opposition Chief Whips in both Houses and to two of the Opposition Assistant Whips in the Commons. The Government Whips in the Lords hold offices in the Royal Household; they also act as government spokesmen.

Financial Assistance to Parties

Annual assistance from public funds helps opposition parties carry out their parliamentary work at Westminster. It is limited to parties which had at least two members elected at the previous general election or one member elected and a minimum of 150,000 votes cast. The amount is £2,550 for every seat won, plus £5·10 for every 200 votes.

Parliamentary Procedure

Parliamentary procedure is based on custom and precedent. The system of debate is similar in both Houses. The subject starts off as a proposal or 'motion' by a member. At the end of each debate the question may be decided without voting, or by a simple majority vote. The main difference between the two Houses is that the Lord Chancellor, who acts as Speaker of the Lords, has no authority to curtail debate. Such matters are decided by the general feeling of the House.

In the Commons the Speaker has full authority to enforce the rules of the House and must guard against the abuse of procedure and protect minority rights. The Speaker has discretion on whether to allow a motion to end discussion so that a matter

may be put to the vote and has powers to put a stop to irrelevance and repetition in debate, and to save time in other ways. In cases of grave disorder the Speaker can adjourn or suspend the sitting. The Speaker may order members who have broken the rules of behaviour of the House to leave the Chamber or he or she can initiate their suspension for a period of days.

The Speaker supervises voting in the Commons and announces the final result. In a tied vote the Speaker gives a casting vote, without expressing an opinion on the merits of the question. The voting procedure in the House of Lords is similar, except that the Speaker or chairman has an ordinary vote, and no casting vote.

MPs' Financial Interests

The Commons has a public register of MPs' financial interests. Members with a financial interest in a debate in the House must declare it when speaking. To act as a disqualification from voting the interest must be direct, immediate and personal. In other proceedings of the House or in dealings with other members, ministers or civil servants, MPs must also disclose any relevant financial interest.

There is no register of financial interests in the Lords, but Lords speaking in a debate in which they have a direct interest are expected to declare it. Lords by custom speak 'on their honour'.

Public Access to Parliamentary Proceedings

Proceedings of both Houses are normally public. The minutes and speeches (*Hansard*) are published daily.

The records of the Lords from 1497 and of the Commons from 1547, together with the parliamentary and political papers of a number of former members of both Houses, are available to the public through the House of Lords Record Office.

The proceedings of both Houses of Parliament may be broadcast on television and radio, either live or, more usually, in recorded or edited form. Complete coverage is available on cable television.

The Law-making Process

The law undergoes constant reform in the courts as established principles are clarified or reapplied to meet new circumstances.

Fundamental changes are the responsibility of Parliament and the Government through the normal legislative process.

Draft laws take the form of parliamentary Bills. Most are public Bills involving measures relating to public policy. Private Bills are promoted by people or organisations outside Parliament (often local authorities) to give them special legal powers. They go through a similar procedure to public Bills, but most of the work is done in committee, where procedures follow a semi-judicial pattern. The promoter must prove the need for the powers sought and the objections of opposing interests are heard. Both sides may be legally represented. Hybrid Bills are public Bills which may affect private rights. As with private Bills, the passage of hybrid Bills through Parliament is governed by special procedures which allow those affected to put their case. Public Bills can be introduced, in either House, by a government minister or by an ordinary member. Most public Bills that become law are sponsored by the Government.

Before a government Bill is drafted, there is normally considerable consultation with professional bodies, voluntary organisations and other agencies interested in the subject. These include major interest and pressure groups which seek to promote specific causes. Proposals for legislative changes are sometimes set out in government 'White Papers', which may be debated in Parliament before a Bill is introduced. From time to time consultation papers, sometimes called 'Green Papers', set out government proposals which are still taking shape and seek comments from the public.

Bills must normally be passed by both Houses. Government Bills likely to raise political controversy usually go through the Commons before being discussed in the Lords, while those of a technical but non-political nature often pass through the Lords first. A Bill with a mainly financial purpose is nearly always introduced in the Commons, and a Bill involving taxation must be based

on resolutions agreed by that House, often after debate, before it can be introduced. If the main object of a Bill is to create a public charge, it must be introduced by a government minister in the Commons or, if brought from the Lords, be taken up by a government minister. This gives the Government considerable control over financial legislation.

Private Members' Bills

At the beginning of each session private members of the Commons ballot (or draw lots) for the opportunity to introduce a Bill on one of the Fridays specially allocated; the first 20 are successful. Private members may also present a Bill after question time (see p 42). They may also seek to introduce a Bill under the 'ten minute rule'. This allows two speeches, one in favour of and one against the measure, after which the House decides whether to allow the Bill to be brought in. Private members' Bills quite often do not proceed very far, but quite a few become law each session. If one secures a second reading, the Government usually introduces any necessary money resolution. Private members' Bills may be introduced in the House of Lords at any time, but no time is allocated for their discussion in the Commons.

Passage of Public Bills

The process of passing a public Bill is similar in both Houses. On introduction, the Bill receives a first reading, without debate, and is printed. After between one day and several weeks, depending on the nature of the Bill, it is given a second reading after a debate on its general principles. In the Commons a non-controversial Bill may be referred to a second reading committee for its second reading debate. After a second reading in the Commons, a Bill is usually referred to a standing committee for detailed examination (see p 41). If the House so decides, the Bill may be referred to the whole House sitting in committee. The committee stage is followed by the report stage in the whole House, during which further amendments may be considered.

At the third reading a Bill is reviewed in its final form and may be debated again. The House may vote to limit the time devoted to examining a Bill by passing a government timetable motion, commonly referred to as a 'guillotine'.

After the third reading a Commons Bill is sent to the Lords. After the second reading in the Lords, a Bill is considered by a committee of the whole House, unless the House takes the rare decision to refer it to a Public Bill Committee. It is then considered on report and read a third time; at all these stages amendments may be made.

A Bill which starts in the Lords and is passed by that House is then sent to the Commons for all its stages there. Amendments made by the second House must generally be agreed by the first, or a compromise reached, before a Bill can become law.

Royal Assent

When a Bill has passed through all its parliamentary stages, it is sent to the Queen for Royal Assent, after which it is part of the law of the land and known as an Act of Parliament. The Royal Assent has not been refused since 1707.

Limitations on the Power of the Lords

Most government Bills introduced and passed in the Lords pass through the Commons without difficulty, although a Lords Bill which was unacceptable to the Commons would not become law. The Lords, on the other hand, do not generally prevent Bills insisted upon by the Commons from becoming law, though they will often amend them and return them for further consideration by the Commons. By convention the Lords pass Bills authorising taxation or national expenditure without amendment. Under the Parliament Acts 1911 and 1949, a Bill that deals only with taxation or expenditure must become law within one month of being sent to the Lords, whether or not they agree to it, unless the Commons directs otherwise. If no agreement is reached between the two Houses on a non-financial

Commons Bill the Lords can delay the Bill for a period which, in practice, amounts to at least 13 months. Following this the Bill may be submitted to the Queen for Royal Assent, provided it has been passed a second time by the Commons. The Parliament Acts make one important exception: any Bill to lengthen the life of a Parliament requires the full assent of both Houses in the normal way.

The limits to the power of the Lords, contained in the Parliament Acts, are based on the belief that nowadays the main legislative function of the non-elected House is to act as a chamber of revision, complementing but not rivalling the elected House.

Delegated Legislation

In order to reduce pressure on parliamentary time, much legislation gives ministers and other authorities the power to regulate administrative details by making 'delegated legislation'. To minimise the risk that powers given to the executive might undermine parliamentary government, they are normally delegated to authorities directly responsible to Parliament. Moreover, the Acts of Parliament concerned often provide for some measure of parliamentary control over the delegated legislation, by giving Parliament the right to affirm or annul it. Certain Acts also state that the organisations affected must be consulted before rules and orders can be made.

A joint committee of both Houses reports on the technical propriety of these 'statutory instruments'. In order to save time on the floor of the House, the Commons also uses standing committees to debate the merits of instruments; actual decisions are taken by the House.

Parliamentary Committees

Committees of the Whole House

Either House may pass a resolution setting itself up as a committee of the whole House to consider Bills in detail after their second reading. This permits unrestricted discussion: the rule that an MP or Lord may speak only once on each issue does not apply in committee.

Standing Committees

House of Commons standing committees debate and consider amendments to public Bills at the committee stage and, in certain cases, discuss them at the second reading stage. They include two Scottish standing committees, and the Scottish and Welsh Grand Committees. Ordinary standing committees do not have names but are referred to simply as Standing Committee A, B, C, and so on; a new set of members are appointed to them to consider each Bill. Each committee has between 16 and 50 members, with a party balance reflecting as far as possible that in the House as a whole. The Scottish Grand Committee comprises all 72 Scottish members (and may be convened in Edinburgh). It may consider the principle of Scottish Bills referred to it at second reading stage. It also debates Scottish estimates and other matters concerning Scotland only which may be referred to it. The Welsh Grand Committee, with all 38 Welsh members and up to five others, considers Bills referred to it at second reading stage, and matters concerning Wales only. There is also provision for a Northern Ireland committee to debate matters relating specifically to Northern Ireland.

The Lords' equivalent to a standing committee, a Public Bill Committee, is rarely used.

Select Committees

Select committees are appointed, normally for the duration of a Parliament, to examine subjects by taking written and oral evidence. After private discussion they report their conclusions and recommendations. Some select committees may be appointed to help Parliament with the control of the executive by examining aspects of public policy and administration. These include the 15 committees established by the House of Commons to examine the work of the main government departments. The Foreign Affairs Committee, for example, 'shadows' the work of the Foreign & Commonwealth Office. The committees are constituted on a basis which is in approximate proportion to party strength in the House.

Other regular Commons committees include those on European Legislation, Public Accounts, Members' Interests, and the Parliamentary Commissioner for Administration. 'Domestic' select committees also cover the internal workings of Parliament. The Committee of Selection and the Standing Orders Committee have duties relating to private Bills, and the Committee of Selection also chooses members to serve on standing and select committees. A Liaison Committee considers general matters relating to select committees. On rare occasions a parliamentary Bill is examined by a specially appointed select committee, in addition to the usual legislative process: this occurs, for example, every few years for the Armed Forces Bill.

In their examination of government policies and administration, the committees question ministers, senior civil servants and interested bodies and individuals. Through hearings and published reports, they bring before Parliament and the public an extensive body of fact and informed opinion on many issues, and build up considerable expertise in their subjects of inquiry.

In the House of Lords, besides the Appeal and Appellate Committees, in which the bulk of the House's judicial work is transacted, there are two major select committees (with several sub-committees), on the European Communities and on Science and Technology. There are also select committees on House of Lords' Offices, Hybrid Instruments, Leave of Absence and Lords' Expenses, Personal Bills, Private Bill Standing Orders, Privileges, Procedure, Selection and Broadcasting.

Joint Committees

Joint committees, with a membership drawn from both Houses, are appointed in each session to deal with Consolidation Bills and delegated legislation. The two Houses may also agree to set up joint select committees on other subjects.

Party Committees

In addition to the official committees of the

two Houses there are several unofficial party organisations or committees. The Conservative and Unionist Members' Committee (the 1922 Committee) consists of the backbench membership of the party in the House of Commons. When the Conservative Party is in office, ministers attend its meetings by invitation and not by right. When the party is in opposition, the whole membership of the party may attend meetings. The leader appoints a consultative committee, which acts as the party's 'shadow cabinet'.

The Parliamentary Labour Party comprises all members of the party in both Houses. When the Labour Party is in office, a parliamentary committee, half of whose members are elected and half of whom are government representatives, acts as a channel of communication between the Government and its backbenchers in both Houses. When the party is in opposition, the Parliamentary Labour Party is organised under the direction of an elected parliamentary committee, which acts as the 'shadow cabinet'.

Other Forms of Parliamentary Control

House of Commons

The effectiveness of parliamentary control of the Government is a subject of continuing discussion, both inside and outside Parliament. In addition to the system of scrutiny by select committees, the House of Commons offers a number of opportunities for the examination of government policy by both the Opposition and the Government's own backbenchers. These include:

1. Question time, when for an hour on Monday, Tuesday, Wednesday and Thursday, ministers answer MPs' questions. The Prime Minister's question time is on Tuesday and Thursday. Parliamentary questions are one means of seeking information about the Government's intentions. They are also a way of raising grievances brought to MPs' notice by constituents. MPs may also put questions to ministers for written answer; the questions and answers are published in *Hansard*, the official report. There are some 40,000 questions every year.

2. Adjournment debates, when MPs use motions for the adjournment of the House to raise constituency cases or matters of public concern. There is a half-hour adjournment period at the end of the business of the day, while immediately before the adjournment for each recess (Parliament's Christmas, Easter, spring and summer breaks) a full day is spent discussing issues raised by private members. There are also adjournment debates following the passage, three times a year, of Consolidated Fund¹³ or Appropriation Bills.¹⁴ These take place after the House has voted the necessary supplies (money) for the Government.

In addition, an MP wishing to discuss a 'specific and important matter that should have urgent consideration' may, at the end of question time, seek leave to move the adjournment of the House. If the Speaker accepts the terms of the motion, the MP asks the House for leave for the motion to be put forward. Leave can be given unanimously, or it can be given if 40 or more MPs support the motion or if fewer than 40 but more than ten support it and the House (on a vote) is in favour. If leave is given, the matter is debated for three hours in what is known as an emergency debate, usually on the following day.

3. The 20 Opposition days each session, when the Opposition can choose subjects for debate. Of these days, 17 are at the disposal of the Leader of the Opposition and three at the disposal of the second largest opposition party.

4. Debates on three days in each session on details of proposed government expenditure, chosen by the Liaison Committee (see p 41).

Procedural opportunities for criticism of the Government also arise during the debate on the Queen's speech at the beginning of each session, during debates on motions of censure for which the Government provides time, and during debates on the Government's legislative and other proposals.

¹³ At least two Consolidated Fund Acts are passed each session authorising the Treasury to make certain sums of money available for the public service.

¹⁴ The annual Appropriation Act fixes the sums of public money provided for particular items of expenditure.

House of Lords

Opportunities for criticism and examination of government policy are provided in the House of Lords at daily question time and during debates on general motions. Other opportunities include 'unstarred' questions (which can be debated) at the end of the day's business and debates on proposed legislation.

Control of Finances

The main responsibilities of Parliament, and more particularly of the House of Commons, in overseeing the revenue of the State and payments for the public service, are to authorise the raising of taxes and duties and the various objects of expenditure and the sum to be spent on each. It also has to satisfy itself that the sums granted are spent only for the purposes which Parliament intended. No payment out of the central government's public funds can be made and no taxation or loans authorised, except by Act of Parliament. However, limited interim payments can be made from the Contingencies Fund.

The Finance Act is the most important of the annual statutes, and authorises the raising of revenue. The legislation is based on the Chancellor of the Exchequer's Budget statement, normally made in March or April each year. It includes a review of the public finances of the previous year, and proposals for the estimated expenditure of the coming year. Scrutiny of public expenditure is carried out by House of Commons select committees (see p 41).

European Community Affairs

To keep the two Houses informed of European Community developments, and to enable them to scrutinise and debate Community policies and proposals, there is a select committee in each House (see p 41) and two standing committees debate specific European legislative proposals. Ministers also make regular statements about Community business.

The Commons' Ability to Force the Government to Resign

The final control is the ability of the House of Commons to force the Government to resign by passing a resolution of 'no confidence'. The Government must also resign if the House rejects a proposal which the Government considers so vital to its policy that it has made it a 'matter of confidence' or if the House refuses to vote the money required for the public service.

Parliamentary Commissioner for Administration

The post of Parliamentary Commissioner for Administration (the 'Parliamentary Ombudsman') was established by the Parliamentary Commissioner Act 1967. He or she investigates, independently, complaints of maladministration when asked to do so by MPs on behalf of members of the public. Powers of investigation extend to administrative actions by central government departments and certain executive and non-departmental bodies. They do not include policy decisions (which can be questioned in Parliament) and matters affecting relations with other countries. Complaints by British citizens arising from dealings with British diplomatic posts overseas are open to investigation in some circumstances. The Commissioner has access to departmental papers and reports the findings to the MP who presented the complaint. The Commissioner is required to report annually to Parliament. He or she also publishes details of selected investigations at quarterly intervals and may submit other reports where necessary. A Commons select committee oversees the Commissioner's work.

Parliamentary Privilege

Each House of Parliament has certain rights and immunities to protect it from obstruction in carrying out its duties. The rights apply collectively to each House and to its officers and individually to each member.

For the Commons the Speaker formally claims from the Queen 'their ancient and undoubted rights and privileges' at the

beginning of each Parliament. These include freedom of speech; freedom from arrest in civil actions; exemption from serving on juries, or being compelled to attend court as witnesses; and the right of access to the Crown, which is a collective privilege of the House. Further privileges include the rights of the House to control its own proceedings (so that it is able, for instance, to exclude 'strangers'¹⁵ if it wishes); to decide upon legal disqualifications for membership and to declare a seat vacant on such grounds; and to punish for breach of its privileges and for contempt.

The privileges of the House of Lords are broadly similar to those of the House of Commons.

Her Majesty's Government

Her Majesty's Government is the body of ministers responsible for the administration of national affairs. The Prime Minister is appointed by the Queen, and all other ministers are appointed by the Queen on the recommendation of the Prime Minister. Most ministers are members of the Commons, although the Government is also fully represented by ministers in the Lords. The Lord Chancellor is always a member of the House of Lords.

The composition of governments can vary both in the number of ministers and in the titles of some offices. New ministerial offices may be created, others may be abolished, and functions may be transferred from one minister to another.

Prime Minister

The Prime Minister is also, by tradition, First Lord of the Treasury and Minister for the Civil Service. The head of the Government became known as the Prime Minister during the eighteenth century. The Prime Minister's unique position of authority derives from majority support in the House of Commons and from the power to appoint and dismiss ministers. By modern convention, the Prime Minister always sits in the House of Commons.

The Prime Minister presides over the Cabinet, is responsible for the allocation of functions among ministers and informs the Queen at regular meetings of the general business of the Government.

The Prime Minister's other responsibilities include recommending a number of appointments to the Queen. These include:

- Church of England archbishops, bishops and deans and some 200 other clergy in Crown 'livings';
- senior judges, such as the Lord Chief Justice;
- Privy Counsellors; and
- Lord-Lieutenants.

They also include certain civil appointments, such as Lord High Commissioner to the General Assembly of the Church of Scotland, Poet Laureate, Constable of the Tower, and some university posts; and appointments to various public boards and institutions, such as the British Broadcasting Corporation (BBC), as well as various royal and statutory commissions. Recommendations are likewise made for the award of many civil honours and distinctions and of Civil List pensions (to people who have achieved eminence in science and the arts and are in financial need). The Prime Minister also selects the trustees of certain national museums and institutions.

The Prime Minister's Office at 10 Downing Street (the official residence in central London) has a staff of civil servants who assist the Prime Minister. The Prime Minister may also appoint special advisers to the Office from time to time to assist in the formation of policies.

Departmental Ministers

Ministers in charge of government departments are usually in the Cabinet; they are known as 'Secretary of State' or 'Minister', or may have a special title, as in the case of the Chancellor of the Exchequer.

Non-Departmental Ministers

The holders of various traditional offices, namely the Lord President of the Council,

¹⁵ All those who are not members or officials of either House.

the Chancellor of the Duchy of Lancaster, the Lord Privy Seal, the Paymaster General and, from time to time, Ministers without Portfolio, may have few or no departmental duties. They are thus available to perform any duties the Prime Minister may wish to give them.

Lord Chancellor and Law Officers

The Lord Chancellor holds a special position, as both a minister with departmental functions and the head of the judiciary (see Appendix 1). The four Law Officers of the Crown are: for England and Wales, the Attorney General and the Solicitor General; and for Scotland, the Lord Advocate and the Solicitor General for Scotland.

Ministers of State

Ministers of State usually work with ministers in charge of departments. They normally have specific responsibilities, and are sometimes given titles which reflect these functions. More than one may work in a department. A Minister of State may be given a seat in the Cabinet and be paid accordingly.

Junior Ministers

Junior ministers (generally Parliamentary Under-Secretaries of State or, where the senior minister is not a Secretary of State, simply Parliamentary Secretaries) share in parliamentary and departmental duties. They may also be given responsibility, directly under the departmental minister, for specific aspects of the department's work. The Parliamentary Secretary to the Treasury and other Lords Commissioners of the Treasury are the formal titles of the Government Whips (see p 37).

Ministerial Salaries

The salaries of ministers in the House of Commons range from £44,611 a year for junior ministers to £63,047 for Cabinet ministers. In the House of Lords salaries range from £37,689 for junior ministers to £50,558 for Cabinet ministers. The Prime Minister receives £76,234 and the

Lord Chancellor £106,750. (The Leader of the Opposition receives £59,736 a year; two Opposition whips in the Commons and the Opposition Leader and Chief Whip in the Lords also receive salaries.)

The Cabinet

The Cabinet is composed of about 20 ministers (the number can vary) chosen by the Prime Minister and may include departmental and non-departmental ministers.

The functions of the Cabinet are initiating and deciding on policy, the supreme control of government and the co-ordination of government departments. The exercise of these functions is vitally affected by the fact that the Cabinet is a group of party representatives, depending upon majority support in the House of Commons.

Cabinet Meetings

The Cabinet meets in private and its proceedings are confidential. Its members are bound by their oath as Privy Counsellors not to disclose information about its proceedings, although after 30 years Cabinet papers may be made available for inspection in the Public Record Office at Kew, Surrey.

Normally the Cabinet meets for a few hours once a week during parliamentary sittings, and rather less often when Parliament is not sitting. To keep its workload within manageable limits, a great deal of work is carried on through the committee system. This involves referring issues either to a standing Cabinet committee or to an ad hoc committee composed of the ministers directly concerned. The committee then considers the matter in detail and either disposes of it or reports upon it to the Cabinet with recommendations for action.

The membership of all ministerial Cabinet committees is published. Where appropriate, the Secretary of the Cabinet and other senior officials of the Cabinet Office attend meetings of the Cabinet and its committees.

Diaries published by several former ministers have given the public insight into Cabinet procedures in recent times.

The Cabinet Office

The Cabinet Office, headed by the Secretary of the Cabinet (who is also Head of the Home Civil Service), under the direction of the Prime Minister, comprises the Cabinet Secretariat, the Office of Public Service and Science and the Historical and Records Section.

The Cabinet Secretariat serves ministers collectively in the conduct of Cabinet business, and in the co-ordination of policy at the highest level.

The Office of Public Service and Science is responsible for the provision of services in the field of recruitment, training and occupational health; policies for the management and development of staff; and equal opportunities. It is also responsible for the Citizen's Charter Unit (see p 50), the Efficiency Unit and the programme for creating Next Steps Agencies (see p 50). The Office of Science and Technology is part of the Office of Public Service and Science (see p 50).

The Historical and Records Section of the Cabinet Office is responsible for Official Histories and managing Cabinet Office records.

Ministerial Responsibility

'Ministerial responsibility' refers both to the collective responsibility for government policy and actions, which ministers share, and to ministers' individual responsibility for their departments' work.

The doctrine of collective responsibility means that the Cabinet acts unanimously even when Cabinet ministers do not all agree on a subject. The policy of departmental ministers must be consistent with the policy of the Government as a whole. Once the Government's policy on a matter has been decided, each minister is expected to support it or resign. On rare occasions, ministers have been allowed free votes in Parliament on government policies involving important issues of principle.

The individual responsibility of ministers for the work of their departments means that they are answerable to Parliament for all their

departments' activities. They bear the consequences of any failure in administration, any injustice to an individual or any aspect of policy which may be criticised in Parliament, whether personally responsible or not. Since most ministers are members of the House of Commons, they must answer questions and defend themselves against criticism in person. Departmental ministers in the House of Lords are represented in the Commons by someone qualified to speak on their behalf, usually a junior minister.

Departmental ministers normally decide all matters within their responsibility. However, on important political matters they usually consult their colleagues collectively, either through the Cabinet or through a Cabinet committee. A decision by a departmental minister binds the Government as a whole.

On assuming office ministers must resign directorships in private and public companies, and must ensure that there is no conflict between their public duties and private interests.

The Privy Council

The Privy Council was formerly the chief source of executive power in the State; its origins can be traced back to the Curia Regis (or King's Court), which assisted the Norman monarchs in running the government. As the system of Cabinet government developed, however, the Privy Council became less prominent. Many powers were transferred to the Cabinet as an inner committee of the Council, and much of its work was handed over to government departments, some of which were originally committees of the Privy Council.

Nowadays the main function of the Privy Council is to advise the Queen to approve Orders in Council, including those made under prerogative powers, such as Orders approving the grant of royal charters of incorporation, and those made under statutory powers. Responsibility for each Order, however, rests with the minister answerable for the policy concerned, regardless of whether he or she was present at the meeting where approval was given.

The Privy Council also advises the Crown

on the issue of royal proclamations, some of which are prerogative acts, such as summoning or dissolving Parliament. The Council's own statutory responsibilities, which are independent of the powers of the Sovereign in Council, include supervising the registering bodies for the medical and allied professions.

Cabinet ministers must be Privy Counsellors and are sworn in on first assuming office. Otherwise membership of the Council (retained for life, except for very occasional removals) is accorded by the Sovereign, on the recommendation of the Prime Minister, to eminent people in Britain and the independent monarchies of the Commonwealth. There are about 400 Privy Counsellors. A full Council is summoned only on the accession of a new Sovereign or when the Sovereign announces his or her intention to marry.

Committees of the Privy Council

There are a number of advisory Privy Council committees. These include prerogative committees, such as those dealing with legislation from the Channel Islands and the Isle of Man, and with applications for charters of incorporation. Committees may also be provided for by statute, such as those for the universities of Oxford and Cambridge and the Scottish universities.

The Judicial Committee of the Privy Council is the final court of appeal for certain independent members of the Commonwealth, the British dependent territories, the Channel Islands and the Isle of Man. It also hears appeals from the disciplinary committees of the medical and allied professions and certain ecclesiastical appeals.

Administrative work is carried out in the Privy Council Office under the Lord President of the Council, a Cabinet minister.

Government Departments

Government departments and their agencies are the main instruments for implementing government policy when Parliament has passed the necessary legislation, and for

advising ministers. They often work alongside local authorities, statutory boards, and government-sponsored organisations operating under various degrees of government control.

A change of government does not necessarily affect the number or general functions of government departments, although major changes in policy may be accompanied by organisational changes.

The work of some departments (for instance, the Ministry of Defence) covers Britain as a whole. Other departments (such as the Department of Employment) cover England, Wales and Scotland, but not Northern Ireland. Others, such as the Department of the Environment, are mainly concerned with affairs in England. Some departments, such as the Department of Trade and Industry, maintain a regional organisation, and some which have direct contact with the public throughout the country (for example, the Department of Employment) also have local offices.

Departments are usually headed by ministers. Certain departments in which questions of policy do not normally arise are headed by permanent officials, and ministers with other duties are responsible for them to Parliament. For instance, ministers in the Treasury are responsible for HM Customs and Excise, the Inland Revenue, the National Investment and Loans Office and a number of other departments as well as executive agencies such as the Royal Mint. Departments generally receive their funds directly out of money provided by Parliament and are staffed by members of the Civil Service.

The functions of the main government departments are set out in Appendix 1.

Non-Departmental Public Bodies

A number of bodies with a role in the process of government are neither government departments nor part of a department (in April 1992 there were 1,444). Non-departmental public bodies are of three kinds: executive bodies, advisory bodies and tribunals. The last of these are a specialised group of judicial bodies (see p 111).

Executive Bodies

Executive bodies normally employ their own staff and have their own budget. They are public organisations whose duties include executive, administrative, regulatory or commercial functions. They normally operate within broad policy guidelines set by departmental ministers but are in varying degrees independent of government in carrying out their day-to-day responsibilities. Examples include the Arts Council of Great Britain, the British Council, the Commonwealth Development Corporation and the Commission for Racial Equality.

Advisory Bodies

Many government departments are assisted by advisory councils or committees which undertake research and collect information, mainly to give ministers access to informed opinion before they come to a decision involving a legislative or executive act. In some cases a minister must consult a standing committee, but usually advisory bodies are appointed at the discretion of the minister. Examples include the Industrial Injuries Advisory Council and the Committee on Safety of Medicines.

The membership of the advisory councils and committees varies according to the nature of the work involved, but normally includes representatives of the relevant interests and professions.

In addition to the standing advisory bodies, there are committees set up by the Government to examine specific matters and make recommendations. For certain important inquiries Royal Commissions, whose members are chosen for their wide experience, may be appointed. Royal Commissions examine evidence from government departments, interested organisations and individuals, and submit recommendations; some prepare regular reports. Recent examples include the standing Royal Commission on Environmental Pollution, which was set up in 1970 and the Royal Commission on Criminal Justice, set up in 1991. Inquiries may also be undertaken by departmental committees.

Government Information Services

Each of the main government departments has its own information division, public relations branch or news department. These are normally staffed by professional information officers responsible for communicating their department's activities to the news media and the public (sometimes using publicity services provided by the Central Office of Information—see Appendix 1). They also advise their departments on the public's reaction.

The Lobby

As press adviser to the Prime Minister, the Prime Minister's Press Secretary and other staff in the Prime Minister's Press Office have direct contact with the parliamentary press through regular meetings with the Lobby correspondents. The Lobby correspondents are a group of political correspondents who have the special privilege of access to the Lobby of the House of Commons where they can talk privately to government ministers and other members of the House. The Prime Minister's Press Office is the accepted channel through which information about parliamentary business is passed to the media.

*Administration of Scottish, Welsh and Northern Ireland Affairs**Scotland*

Scotland has its own system of law and wide administrative autonomy. The Secretary of State for Scotland, a Cabinet minister, has responsibility in Scotland (with some exceptions) for a wide range of policy matters (see Appendix 1).

The distinctive conditions and needs of Scotland and its people are also reflected in separate Scottish legislation on many domestic matters. Special provisions applying to Scotland alone are also inserted in Acts which otherwise apply to Britain generally.

British government departments with significant Scottish responsibilities have offices in Scotland and work closely with the Scottish Office.

Wales

Since 1964 there has been a separate Secretary of State for Wales who is a member of the Cabinet and is responsible for many aspects of Welsh affairs. (For further details see Appendix 1.)

Northern Ireland

Since the British Government's assumption of direct responsibility for Northern Ireland in 1972 (see p 12), the Secretary of State for Northern Ireland has been the Cabinet minister responsible for Northern Ireland affairs. Through the Northern Ireland Office the Secretary of State has direct responsibility for constitutional developments, law and order, security, and electoral matters. The work of the Northern Ireland departments is also subject to the direction and control of the Secretary of State (see Appendix 1).

The Civil Service

The Civil Service is concerned with the conduct of the whole range of government activities as they affect the community. These range from policy formulation to carrying out the day-to-day duties of public administration.

Civil servants are servants of the Crown. For all practical purposes the Crown in this context means, and is represented by, the Government of the day. There are special cases in which certain functions are conferred by law upon particular members of the public service. However, in general the executive powers of the Crown are exercised by, and on the advice of, Her Majesty's Ministers, who are in turn answerable to Parliament. The Civil Service as such has no constitutional responsibility separate from that of the duly constituted Government of the day. The duty of the individual civil servant is first and foremost to the Minister of the Crown who is in charge of the Department concerned. A change of minister, for whatever reason, does not involve a change of staff. Ministers sometimes appoint special advisers from outside the Civil

Service. The advisers are normally paid from public funds, but their appointments come to an end when the Government's term of office finishes, or when the Minister concerned leaves the Government or moves to another appointment.

The number of civil servants has fallen from 732,000 in April 1979 to 565,000 in April 1992, reflecting the Government's policy of controlling the cost and size of the Civil Service and of improving its efficiency.

About half of all civil servants are engaged in the provision of public services. These include paying sickness benefits and pensions, collecting taxes and contributions, running employment services, staffing prisons, and providing services to industry and agriculture. Around a quarter are employed in the Ministry of Defence. The rest are divided between: central administrative and policy duties; support services; and largely financially self-supporting services, for instance, those provided by the Department for National Savings and the Royal Mint. The total includes about 61,000 'industrial' civil servants, mainly manual workers in government industrial establishments. Four-fifths of civil servants work outside London.

Equality of Opportunity

The Government is committed to achieving equality of opportunity for all its staff. In support of this commitment, the Civil Service is actively pursuing policies to increase employment and career opportunities for women, ethnic minorities and people with disabilities. The number of black and Asian people now employed in the Civil Service is proportionate to their representation in Britain's population.

Management Reforms

Reforms of the management of government departments are being implemented to ensure improved management performance, in particular through the increased accountability of individual managers, based

on clear objectives and responsibilities. These reforms include performance-related pay schemes and other incentives.

Executive Agencies: Next Steps Initiative

The Next Steps Initiative, launched in 1988, is intended to improve management in the Civil Service and the efficiency and quality of services provided to the public and to customers within government. This has involved setting up, as far as practicable, separate units or agencies to perform the executive functions of government. Agencies remain part of the Civil Service but under the terms of individual framework documents they enjoy greater delegation on financial, pay and personnel matters. Agencies are headed by chief executives who are personally responsible for the performance of the agency. By July 1992 more than 75 agencies had been set up, together with 30 in Customs and Excise and 34 executive offices within the Inland Revenue. Over 295,000 civil servants work in organisations run on Next Steps lines, amounting to over half the Civil Service.

Efficiency Measures

In November 1991 the Government announced further proposals to extend competition and choice in the provision of public services. Savings in public expenditure are being sought by market testing and competitive tendering of many services carried out by government departments. Services are contracted out to the private sector whenever the evaluation of tenders indicates that better value for money can be achieved.

Citizen's Charter

Government proposals to raise standards in the public services were set out in a White Paper, *The Citizen's Charter*, published in July 1991. The proposals, which cover all public services and the privatised utilities, involve more privatisation, wider competition, further contracting-out and pay more closely related to performance. They also include

requirements for published standards of service and results achieved, comprehensive information on services, consultation with users of services, better redress for the citizen when things go wrong, and tougher and more independent inspectorates and auditing. All major public services are expected to publish separate charters, and so far some 19 have been issued. (Details of many of these can be found in the relevant chapters.)

A new Charter Mark has been introduced to recognise and reward excellence in delivering services to the public: winners will be judged by the Prime Minister's Citizen's Advisory Panel. The first awards were made in September 1992, when 36 public service organisations received the Charter Mark. Implementation of the measures is being co-ordinated by the Citizen's Charter Unit, part of the Office of Public Service and Science (see below).

Executive agencies are expected to comply fully with the principles of the Citizen's Charter. The Government will introduce legislation to remove obstacles to the delegation of decisions to civil servants. Performance-related pay is being introduced for most staff.

Central Management and Structure

Responsibility for central co-ordination and management of the Civil Service is divided between the Treasury and the Cabinet Office (Office of Public Service and Science). In addition to its other functions, the Treasury is responsible for the structure of the Civil Service. It is also responsible for recruitment policy and for controlling staffing, pay, pensions and allowances. The Office of Public Service and Science, which is under the control of the Prime Minister, as Minister for the Civil Service, is responsible for the organisation, non-financial aspects of personnel management and overall efficiency of the Service. The function of official Head of the Home Civil Service is combined with that of Secretary to the Cabinet.

At the senior levels, where management forms a major part of most jobs, there are common grades throughout the Civil Service. These unified grades 1 to 7 are known as the

Open Structure and cover grades from Permanent Secretary level to Principal level. Within the unified grades each post is filled by the person best equipped in terms of skills, ability and experience, regardless of the occupational group to which he or she previously belonged.

Below this the structure of the non-industrial Civil Service is based on a system of occupational groups, which are the basic groupings of staff for the purposes of personnel management. Occupational groups assist the recruitment and matching of skills to posts and offer career paths in which specialist skills can be developed. Some occupational groups are specific to individual departments or agencies requiring such skills; others are more common throughout the Service.

Departments and agencies are being encouraged to develop their own pay and grading arrangements. These are expected to produce value-for-money benefits which are greater than those available through centrally controlled negotiation.

The Diplomatic Service

The Diplomatic Service, a separate service of some 6,700 or so people, divided between Diplomatic Service and Home Civil Service grades, provides the majority of the staff for the Foreign & Commonwealth Office (see Appendix 1) and at British diplomatic missions and consular posts abroad.

The Service has its own grade structure, linked for salary purposes with that of the Home Civil Service. Terms and conditions of service are in many ways comparable, but take into account the special demands of the Service, particularly of postings overseas. Members of the Home Civil Service and the armed forces, and individuals from the private sector, may also serve in the Foreign & Commonwealth Office and at overseas posts on loan or attachment.

Civil Service Recruitment and Training

Recruitment is based on the principle of selection on merit by fair and open competition. Independent Civil Service

Commissioners are responsible for approving the selection of people for appointment to the higher levels and to the fast-streams of the Home Civil Service and the Diplomatic Service. Recruitment of middle-ranking and junior staff is the responsibility of departments and executive agencies; it is monitored by the Commissioners.

Departments and agencies can choose whether to undertake this recruitment work themselves, to employ a private sector recruitment agency or to use the Recruitment and Assessment Services Agency (an executive agency) to recruit on their behalf.

People from outside the Civil Service may be recruited directly to all levels, including the higher levels in the Open Structure, particularly to posts requiring skills and experience more readily found in the private sector. The exchange of staff between the Civil Service and industry is also encouraged.

Training

Individual government departments and agencies are responsible for the performance of their own staff. They provide training and development to meet their business needs, to improve performance, and to help staff respond effectively to changing demands. The majority of training and development takes place within departments and agencies. In addition, the Civil Service College provides high-quality management and professional training, mainly for those who occupy, or hope to occupy, relatively senior positions. Considerable use is made of other providers in the private and public sectors.

Many government departments and agencies employ training officers and tutors to help organise staff training. Considerable use is also made of external institutions.

Civil servants under the age of 18 may continue their general education by attending courses, usually for one day a week ('day release' schemes). All staff may be entitled to financial support to continue their education, mainly in their own time. There are also opportunities for civil servants to undertake research and study in areas of interest to them and to their department or agency.

Promotion

Departments are responsible for promotion up to and including Grade 4. Promotion or appointment to Grades 1 and 2 and all transfers between departments at these levels are approved by the Prime Minister, who is advised by the Head of the Home Civil Service. Promotions and appointments to Grade 3 are approved by the Cabinet Office.

Political and Private Activities

Civil servants are required to perform loyally the duties assigned to them by the Government of the day, whatever its political persuasion. It is essential that ministers and the public should have confidence that the personal views of civil servants do not influence the performance of their official duties, given the role of the Civil Service in serving successive governments formed by different parties. The aim of the rules which govern political activities by civil servants is to allow them, subject to these fundamental principles, the greatest possible freedom to participate in public affairs consistent with their rights and duties as citizens. The rules are therefore concerned with activities liable to give public expression to political views rather than with privately held beliefs and opinions.

The Civil Service is divided into three groups for the purposes of deciding the extent to which individuals may take part in political activities. Those in the 'politically free' group, consisting of industrial staff and non-office grades, are free to engage in any political activity outside official time, including adoption as a candidate for the British or the European Parliament (although they would have to resign from the Service in order to be elected). Those in the 'politically restricted' group, which comprises staff in Grade 7 and above as well as Administration Trainees and Higher Executive Officers (D), may not take part in national political activities but may apply for permission to take part in local political activities. The 'intermediate' group, which comprises all other civil servants, may apply for permission to take part in national or local political

activity, apart from candidature for the British or the European Parliament.

Where required, permission is granted to the maximum extent consistent with the Civil Service's reputation for political impartiality and the avoidance of any conflict with official duties. A code of discretion requires moderation and the avoidance of embarrassment to ministers.

Generally, there are no restrictions on the private activities of civil servants, provided that these do not bring discredit on the Civil Service, and that there is no possibility of conflict with official duties. For instance, a civil servant must comply with any departmental instruction on the need to seek authority before taking part in any outside activity which involves official experience.

Security

As a general rule the political views of civil servants are not a matter of official concern. However, no one may be employed in connection with work which is vital to the security of the State if they have been involved in, or associated with, activities threatening national security. Certain posts are not open to persons who fall into this category, or to anyone whose reliability may be in doubt for any other reason.

Each department is responsible for its own internal security, advised as necessary by the Security Service. The Security Commission may investigate and report on breaches of security in the public service and advise on changes in security procedure if requested to do so by the Prime Minister after consultation with the Leader of the Opposition.

Local Government

Although the origins of Britain's system of local government can be traced back to Saxon times, the first comprehensive system of local councils was established in the late nineteenth century. Over the years the range of services for which local authorities are responsible has grown and this has been one of the factors which has led to reforms in the pattern of local government.

Local Government Reform

A major reform of local government took place in 1974 in England and Wales and in 1975 in Scotland. It was felt at the time that, while for some services it was more efficient for local authorities to cover large areas or serve many people, other services were best organised through smaller units in order to meet the needs of individual communities. Functions were therefore allocated to two main tiers of local authority: outside London these were counties and the smaller districts. In Northern Ireland changes were made in 1973 which left local authorities with fewer functions than in the rest of Britain.

More recently the Local Government Act 1985 abolished the Greater London Council and the six metropolitan county councils in England. In 1986 most of their functions were transferred to the London boroughs and metropolitan district councils respectively (see below).

The Local Government Act 1992 makes provision for the establishment of a Local Government Commission to review the structure, boundaries and electoral arrangements of local government in England. The Commission was set up on 1 July. It will review the structure of local government in all the shire counties of England over the next three to four years. It is expected that as a result of the reviews there will be a substantial increase in the number of unitary authorities in England, although there is no national plan. The Government is also looking at ways of improving the internal management of local authorities. Consultation on these subjects is also taking place in Scotland and Wales.

Local Authorities' Powers

Local authorities' powers and duties are conferred on them by Parliament, or by measures taken under its authority. Administration is the responsibility of the local authority. In the case of certain services, however, ministers have powers to secure some national uniformity in standards in order to safeguard public health or to protect the rights of individual citizens. For some

services the minister concerned has wide powers of supervision; in other cases the minister's powers are strictly limited.

Relations with Central Government

The main link between local authorities and central government in England is the Department of the Environment, although other departments such as the Department for Education and the Home Office are concerned with various local government functions. In the rest of Britain the local authorities deal with the Scottish and Welsh Offices and the Department of the Environment for Northern Ireland.

Principal Types of Local Authority

England and Wales (outside Greater London) are divided into 53 counties, sub-divided into 369 districts. All the districts and 47 of the counties—the 'non-metropolitan' counties—have locally elected councils with separate functions. County councils provide large-scale services, while district councils are responsible for the more local ones (see p 55).

Greater London—with a population of some 6·8 million—is divided into 32 boroughs, each of which has a council responsible for local government in its area; in addition, there is the Corporation of the City of London. In the six metropolitan counties there are 36 district councils; there are no county councils. A number of services, however, require a statutory authority over areas wider than the individual boroughs and districts. These are waste regulation and disposal (in certain areas); the police and fire services, including civil defence, and public transport (in all metropolitan counties); and the fire service, including civil defence (in London). All are run by joint authorities composed of elected councillors nominated by the borough or district councils.

In addition to the two-tier local authority system in England, there are over 8,000 parish councils or meetings. They may provide and manage local facilities such as allotments and village halls and may act as agents for other district council functions. They also provide a forum for discussion of

local issues. In Wales community councils have similar functions.

On the mainland of Scotland local government is on a two-tier basis: nine regions are divided into 53 districts, each of which has an elected council. There are three virtually all-purpose authorities for Orkney, Shetland and the Western Isles. Provision is also made for local community councils: although these have no statutory functions, they can draw attention to matters of local concern.

The areas and electoral arrangements of local authorities are kept under review by the Local Government Boundary Commissions for England, Wales and Scotland, although later in 1992 the responsibilities of the Local Government Boundary Commission for England will pass to the Local Government Commission (see p 53).

In Northern Ireland 26 district councils are responsible for local environmental and certain other services. Statutory bodies, such as the Northern Ireland Housing Executive and area boards, are responsible to central government departments for administering other major services (see below).

Election of Councils

Local authority councils consist of elected unpaid councillors. Councillors may, however, be entitled to a basic flat rate allowance and to certain expenses when attending meetings or taking on special responsibilities. Parish and community councillors cannot claim allowances for duties undertaken within their own council areas.

In England, Wales and Northern Ireland each council elects its presiding officer and his or her deputy annually. Some districts have the ceremonial title of borough, or city, both granted by royal authority (in Northern Ireland, by the Secretary of State). In boroughs and cities the presiding officer is normally known as the Mayor. In the City of London and certain other large cities, he or she is known as the Lord Mayor. In Scotland the presiding officer of the district council of each of the four cities is called the Lord Provost. No specific title is laid down for those of other councils; some are known as

conveners, while others continue to use the old title of 'provost'.

Councillors are elected for four years. All county councils in England and Wales, London borough councils, and about two-thirds of non-metropolitan district councils are elected in their entirety every four years. In the remaining districts (including all metropolitan districts) one-third of the councillors are elected in each of the three years between county council elections. In Scotland local elections are held every two years, alternately for districts and for regions and islands authorities. Each election covers the whole council so that councillors are elected for four years at a time.

Voters

Anyone may vote at a local government election in Britain provided he or she is:

- aged 18 years or over;
- is a citizen of Britain or another Commonwealth country, or a citizen of the Irish Republic;
- is not subject to any legal incapacity; and
- is on the electoral register.

To qualify for registration a person must be resident in the council area on the qualifying date. In Northern Ireland there are slightly different requirements.

Candidates

A candidate for election as councillor normally stands as a representative of one of the national political parties, although there are some independent candidates, and some represent local interests. Candidates must be British citizens, other Commonwealth citizens or citizens of the Irish Republic, and aged 21 or over. In addition, they must either:

- be registered as local electors in the area of the local authority to which they seek election; or
- have lived in or occupied (as owner or tenant) land or other premises in that area during the whole of the 12 months preceding the day on which they are nominated as candidates; or,

- have had their main or only place of work in the area throughout this 12-month period.

No one may be elected to a council of which he or she is an employee, and there are some other disqualifications. All candidates for district council elections in Northern Ireland are required to make a declaration against terrorism.

Electoral Divisions

Counties in England and Wales are divided into electoral divisions, each returning one councillor. Districts in England, Wales and Northern Ireland are divided into 'wards', returning one councillor or more. In Scotland the electoral areas in the regions and islands areas are called electoral divisions, each returning a single member; the districts are divided into wards, similarly returning a single member. For parish or community council elections in England and Wales, each parish or community, or ward of a parish or community, elects one member or more.

Voting Procedure

The procedure for local government voting in Great Britain is similar to that for parliamentary elections. In Northern Ireland local government elections are held on the basis of proportional representation, and electoral wards are grouped into district electoral areas.

Council Functions and Services

In England county councils are responsible for strategic planning, transport planning, highways, traffic regulation, education (although schools may 'opt out' of local government control—see p 151), consumer protection, refuse disposal, police, the fire service, libraries and the personal social services. District councils are responsible for local services such as environmental health, housing, decisions on most local planning applications, and refuse collection. Both tiers of local authority have powers to provide facilities like museums, art galleries and parks; arrangements depend on local agreement.

In the metropolitan counties the district councils are responsible for all services apart from the police, the fire service and public transport and, in some areas, waste regulation and disposal (see p 53).

In Greater London the boroughs and the City Corporation have similar functions but London's metropolitan police force is directly responsible to the Home Secretary. Responsibility for public transport lies with London Transport.

In Wales the division of functions between county and district councils is much the same as that between county and district councils in non-metropolitan areas of England.

Local authorities in England and Wales may arrange for any of their functions to be carried out on their behalf by another local authority, other than those relating to education, police, the personal social services and national parks.

In Scotland the functions of regional and district authorities are divided up in a similar way to the counties and districts in England and Wales. Because of their isolation from the mainland, Orkney, Shetland and the Western Isles have single, virtually all-purpose authorities; they take part in wider-scale administration for their police and fire services, however, and rely on the mainland for assistance in the more specialised aspects of education and social work.

In Northern Ireland local environmental and certain other services, such as leisure and the arts, are administered by the district councils. Responsibility for planning, roads, water supply and sewerage services is exercised in each district through a divisional office of the Department of the Environment for Northern Ireland. Area boards, responsible to central departments, administer education, public libraries and the health and personal services locally. The Northern Ireland Housing Executive, responsible to the Department of the Environment, administers housing.

Internal Organisation of Local Authorities

Local authorities have considerable freedom to make arrangements for carrying out their

duties. The main policies are decided by the full council; other matters concerning the various services are the responsibility of committees composed of members of the council. A council may delegate to a committee or officer any function except those concerned with raising loans, levying local taxes or making financial demands on other local authorities liable to contribute. These powers are legally reserved to the council as a whole. Some councils have policy advisory or co-ordinating committees which originate policy for implementation by the full council. The powers and duties of local authority committees are usually laid down in formal standing orders. Parish and community councils in England and Wales are often able to do their work in full session, although they appoint committees from time to time as necessary.

Committees have to reflect the political composition of the council. In England and Wales people who are not members of the council may be appointed to decision-making committees and are able to speak and take part in debates; they cannot normally vote. The legislation also prevents senior officers and others in politically sensitive posts from being members of another local authority or undertaking public political activity. Some of these provisions have not been introduced in Northern Ireland.

Public Access

The public (including the press) are admitted to council, committee and sub-committee meetings, and have a right of access to agendas, reports and minutes of meetings and certain background papers. Local authorities may exclude the public from meetings and withhold these papers only in limited circumstances specified by legislation.

Officers and Employees

Almost 3 million people are employed by local authorities in Great Britain. These include administrative, professional and technical staff, teachers, firefighters, those engaged in law and order services, and manual workers.

Nearly half of all local government workers are employed in the education service.

Although a few appointments must be made by all the authorities responsible for the functions concerned, councils are individually responsible within national policy requirements for determining the size and duties of their workforces. In Northern Ireland each council must by law appoint a clerk of the council as its chief officer.

As a general rule, employees are of three kinds: heads of departments or chief officers; administrative, professional, clerical and technical staff; and manual workers. Senior staff appointments are usually made on the recommendation of the committee or committees involved. Most junior appointments are made by heads of departments, who are also responsible for engaging manual workers. Pay and conditions of service are usually a matter for each council, although there are scales recommended by national negotiating machinery between authorities and trade unions.

Authorities differ in the degree to which they employ their own permanent staff to carry out certain functions or use private firms under contract. The Government's policy of promoting value for money is encouraging the use of private firms where savings can be made. Authorities are required to expose to competition the following services: refuse collection, street cleaning, school and general catering, vehicle maintenance, ground maintenance and building cleaning, sport and leisure management, construction and building maintenance and highways work.

Local Authority Finance

Local government expenditure accounts for about 30 per cent of public spending. The Government has sought to check local government spending as part of a general policy of controlling the growth of public expenditure. Under the community charge system, introduced in 1990-91, the Government has the power to restrain excessive budgets by setting caps or maximum limits.

In 1991-92 expenditure by local authorities in Britain amounted to some £63,800 million. Current expenditure amounted to £52,459 million, and capital expenditure, net of capital receipts, was £5,749 million and debt interest £5,600 million.

System of Finance

Local authorities in Great Britain raise revenue through a community charge, which is set by each charging local authority and payable by almost all resident adults. There is also a grant system, which compensates for differences in the cost of providing a standard level of service between authorities. Finally, in England and Wales, there are uniform business rates (single rates per pound of rateable value of business property applying throughout England and throughout Wales), the proceeds of which are distributed to authorities in proportion to the number of people registered to pay the community charge. In Scotland progress is being made towards a uniform business rate. In Northern Ireland there is, instead of the community charge, a system of domestic rates (local property taxes).

Changes to Local Authority Finance

The Government is to replace the community charge with a council tax with effect from April 1993. Under the new tax each household will receive a single bill based on the market value of property and the number of adults living in it. Couples on low incomes will be entitled to rebates of up to 100 per cent on their council tax bills. There will be discounts for lone-adult householders and other less well-off people.

Current Expenditure

In 1991-92 education accounted for 45 per cent of local authorities' current expenditure in England, Scotland and Wales. Most of the remainder was spent on roads and transport; housing and other environmental services;

law, order and protective services; and personal social services.

Capital Expenditure

Local government capital expenditure is financed primarily by borrowing and from capital receipts from the disposal of land and buildings. These sources are supplemented mainly by capital grants and contributions from central government.

Control of Finance

Local councils normally have a finance committee to keep their financial policy under constant review. Their annual accounts must be audited by independent auditors appointed by the Audit Commission in England and Wales, or by the Commission for Local Authority Accounts in Scotland. In Northern Ireland this role is exercised by a local government audit section appointed by the Department of the Environment for Northern Ireland.

Local Government Complaints System

Citizens' allegations of injustice resulting from local government maladministration may be investigated by independent statutory Commissions for Local Administration. The English Commission has three local commissioners (or local government ombudsmen). Wales and Scotland each have a single commissioner.

A report is issued on each complaint investigated and, if injustice caused by maladministration is found, the local ombudsman normally suggests a remedy. The council must consider the report and tell the commissioner what action it proposes to take.

In Northern Ireland a Commissioner for Complaints deals with complaints alleging injustices suffered as a result of maladministration by district councils and certain other public bodies.

3 Overseas Relations

Britain's main foreign policy aims and objectives are to enhance its security and prosperity and to promote and protect its interests overseas through world peace and economic growth.

It has worldwide interests, including responsibility for 14 dependent territories and for over 6 million British citizens who live overseas. It is one of the world's leading trading nations and its overseas investments are among the largest in the world.

Britain believes that its security and economic interests can best be protected by working with other countries. It has diplomatic or consular relations with 169 countries and is a member of some 120 international organisations, including the United Nations (UN), the North Atlantic Treaty Organisation (NATO) and the European Community (EC).

Britain has close links with many developing countries, notably within the Commonwealth, which links 50 independent countries. Commonwealth members have the English language in common and close professional, academic and commercial ties. In all, Britain provides development assistance to over 120 independent countries as well as to its dependencies.

Britain also has strong links with the United States, including a common language and similar democratic and cultural traditions.

Administration

The Foreign and Commonwealth Secretary is responsible for the work of the Foreign and Commonwealth Office (FCO), which covers the Diplomatic Service and the Overseas Development Administration (ODA). He is supported by four ministers of state and a parliamentary under-secretary; one of the four ministers of state is Minister for Overseas Development.

Work overseas is carried out by Diplomatic Service staff and locally-engaged personnel. About 25 per cent of frontline diplomatic staff are engaged on political/economic work, 18 per cent on commercial work, 19 per cent on entry clearance, 8 per cent on consular work, 4 per cent on information, 6 per cent on aid administration and 4 per cent on other activities such as culture, science and technology. Heads of post account for the remaining 16 per cent, their time being divided between functions.

Britain has embassies and high commissions in 134 countries and missions at nine international organisations and conferences. Other posts include 62 subordinate posts such as deputy high commissions and consulates and four British Interest Sections/Trade Offices. In addition, there are a further 13 posts staffed entirely by locally-engaged personnel, and 203 honorary consulates.

Other departments concerned with overseas relations include the Ministry of Defence, the Department of Trade and Industry (DTI) and the Treasury. When other departments are involved, the FCO decides policy in consultation with them. The department with the main interest usually takes the lead, particularly in European Community matters and international economic policy. The FCO co-ordinates EC policy through the Cabinet Office European Secretariat.

The export promotion work of the FCO and the DTI has been brought together as the Overseas Trade Service. In April 1991 an FCO/DTI unit—the Joint Directorate—was established to ensure the consistent and coherent presentation and delivery of export

services at home and overseas and to improve the services offered to British business. It is advised by the British Overseas Trade Board.

Crown Agents helps to arrange purchases from British aid funds; it also provides purchasing and management services to overseas governments and institutions.

The British Council

The British Council is Britain's principal agency for cultural relations overseas and has 162 offices in 95 countries. Its main activities are:

- helping people to study, train or make professional contacts in Britain;
- enabling British specialists to teach, advise or establish joint projects abroad;
- teaching English and promoting its use;
- providing library and information services;
- promoting British education, science and technology; and
- making British arts and literature more widely known.

The Council is financed partly by a grant from the FCO. The training and education programmes organised by the Council on behalf of the ODA and the FCO are another important source of revenue. About a quarter of its income comes from its own earnings.

DEPENDENT TERRITORIES

Britain's 14 dependent territories have a combined population of about 6 million, of whom 5.8 million live in Hong Kong. Most territories have considerable self-government, with their own legislature and civil service. Britain is generally responsible for defence, security, external affairs, the civil service and the judiciary. The territories are:

- Anguilla;
- Bermuda;
- British Antarctic Territory;
- British Indian Ocean Territory;
- British Virgin Islands;
- Cayman Islands;
- Falkland Islands;

- Gibraltar;
- Hong Kong;
- Montserrat;
- Pitcairn, Ducie, Henderson and Oeno;
- St Helena and St Helena Dependencies (Ascension and Tristan da Cunha);
- South Georgia and the South Sandwich Islands; and
- Turks and Caicos Islands.

Few are rich in natural resources, and some are scattered groups of islands. There are no permanent inhabitants in the British Antarctic Territory, British Indian Ocean Territory, South Georgia or the South Sandwich Islands.

Britain's policy is to help the inhabitants of the dependent territories to take independence once that is their constitutionally expressed wish and where it is practicable to do so. The reasonable development needs of the dependent territories are a first call on the British aid programme.

The Falkland Islands are the subject of a territorial claim by Argentina but the inhabitants wish to retain the link with Britain. The Government is committed to the defence of the Islanders' right to live under a government of their own choosing. The Islanders' right of self-determination is set out in the 1985 Falkland Islands Constitution. Argentina also claims South Georgia and the South Sandwich Islands.

Gibraltar is the subject of a territorial claim by Spain. Britain wishes to see the development of practical co-operation between Gibraltar and Spain to the benefit of both peoples and remains committed to honouring the wishes of the people of Gibraltar as to their future, as set out in the 1969 Gibraltar Constitution.

Hong Kong

In 1984 an agreement was signed between Britain and the People's Republic of China on the future of Hong Kong,¹ 92 per cent of

¹For further details see *Britain and Hong Kong* (Aspects of Britain: HMSO, 1992).

which is leased from China until 1997. Under the Sino-British Joint Declaration, which was ratified by the two governments in 1985, Britain is responsible for the administration of Hong Kong until 30 June 1997. Hong Kong will then become a Special Administrative Region (SAR) of China, but its capitalist system and lifestyle will remain unchanged for at least 50 years. With the exception of foreign affairs and defence, the Hong Kong SAR will enjoy a high degree of autonomy and its government and legislature will be composed of Hong Kong people.

In 1990 the British Government announced that the Hong Kong Government would introduce 18 directly elected seats into the 60-seat Legislative Council in 1991. Elections to these seats took place in September 1991. The ultimate aim is the election of all members of the Legislative Council by universal suffrage.

Legislation was passed in 1990 to give British citizenship to 50,000 key people (and their dependants) in Hong Kong without their having to leave the territory in order to qualify. Its purpose is to persuade these people to remain in Hong Kong so that the territory can remain stable and prosperous up to and beyond 1997.

Britain and the United Nations

Britain is fully committed to the principles of the United Nations and its Charter and believes that all member states should ensure that the organisation functions as effectively as possible to maintain peace, assist developing countries and protect human rights and freedoms. Under the Charter, UN members are committed to refrain from the threat or use of force against the territory or political independence of any state and to seek solutions to their disputes by peaceful means. Britain is the sixth largest contributor to the UN budget, contributing about \$49.5 million in 1992.

Because of the Cold War, the Security Council was for many years unable to function fully in the ways intended by the

Charter. Now that the Cold War has ended, Britain believes that the UN has the chance to revive its authority and to seek to resolve disputes which threaten international peace and stability.

Britain is one of the five permanent members of the UN Security Council, which has the main responsibility for maintaining international peace and security.

As a further step in this process, the British Prime Minister convened a special meeting of the Security Council in January 1992—the first ever meeting at the level of heads of State or Government—in order to reaffirm the UN's central role in strengthening international order and world peace. At the meeting Council members:

- reaffirmed that all disputes should be settled peacefully in accordance with the Charter;
- committed themselves to fighting terrorism;
- requested the Secretary General to make recommendations on a more effective role for the UN in preventive diplomacy and as peacemaker and peacekeeper and
- committed themselves to arms control and the conclusion of a convention on chemical weapons.

Peacekeeping

Britain is the major contributor to the UN peacekeeping force in Cyprus and has provided logistic support to the UN Interim Force in Lebanon. It contributes personnel to the United Nations observer mission established to monitor a demilitarised zone between Iraq and Kuwait, following the expulsion of Iraqi forces from Kuwait early in 1991, and has sent observers to the western Sahara to participate in the referendum monitoring operation established there by the UN. Britain has sent a large contingent to the UN operation in Cambodia and has medical personnel in the UN Protection Force in former Yugoslavia.

Human Rights

Britain has consistently supported United Nations efforts to promote human rights through the establishment of internationally accepted standards. The UN Charter states that one purpose of the United Nations is to achieve international co-operation in promoting and encouraging respect for human rights and for fundamental freedoms for all. Britain believes that expressions of concern about violations of human rights are matters of international concern and do not constitute interference in another state's internal affairs.²

UN members pledge themselves to take joint and separate action in co-operation with the UN to promote universal respect for, and observance of, human rights and fundamental freedoms, without distinction as to race, sex, language or religion.

Fundamental human rights provisions are set out in the Universal Declaration of Human Rights proclaimed by the General Assembly in 1948, and in the two International Covenants (one on Economic, Social and Cultural Rights and the other on Civil and Political Rights), which impose legal obligations on those who ratify them and which came into force in 1976. Britain has ratified both Covenants. Committees monitor their implementation by member states who are parties to the Covenants' provisions. Britain, in conformity with its obligations, submits regular reports to the committees on the measures taken to give effect to these rights. Britain also recognises the competence of the committees to receive and consider state-to-state complaints.

Britain is also a party to international conventions on:

- the elimination of racial discrimination;
- the elimination of all forms of discrimination against women;
- prevention of genocide;
- the abolition of slavery;
- the status of refugees and stateless persons;
- the political rights of women;

- consent to marriage;
- the rights of the child; and
- the ending of torture and other cruel, inhuman or degrading treatment or punishment.

Britain is a member of the UN Commission on Human Rights. British independent experts also sit on other UN committees concerned with the observance of human rights.

In 1985 Britain withdrew from the United Nations Educational, Scientific and Cultural Organisation (UNESCO). Although Britain supports the ideals and objectives contained in UNESCO's constitution, it had doubts about the effectiveness with which the Organisation had pursued them. After a detailed review of UNESCO activities, Britain announced in 1990 that the reforms carried out were not yet sufficient to merit rejoining the Organisation. The funds saved from the withdrawal are allocated to a number of educational, scientific and cultural programmes in developing countries. Britain's contributions to UN aid programmes for developing countries are described on pp 77-80.

Membership of the European Community

Britain is an active and committed member of the European Community.³

The 1957 Treaty of Rome sets out the Community's objectives, which are to establish:

- a common internal market and closer union between the peoples of Europe;
- common economic and trade policies; and
- a framework of Community law.

These objectives have been confirmed and augmented by the Single European Act 1986 and the Treaty on European Union, which was agreed by the European Council at Maastricht in December 1991 (see p 62).

²For further details see *Human Rights* (Aspects of Britain: HMSO, 1992).

³The Community's 12 member nations are Belgium, Britain, Denmark, France, Germany, Greece, the Irish Republic, Italy, Luxembourg, the Netherlands, Portugal and Spain.

Member states have agreed to establish a genuinely free internal market by the end of 1992. The Community, which acts for member states in international trade negotiations, accounts for a fifth of world trade. Over half of Britain's trade is with the other member states.

Overseas countries having special links with the Community are accorded preferential treatment in aid and the development of trade.

Treaty on European Union

The Maastricht Treaty comprises changes to the Treaty of Rome and other new commitments. It was the result of a year's negotiation within two parallel intergovernmental conferences on political union and economic and monetary union.

The Treaty creates the European Union covering the Community's existing and increased responsibilities and has several new features:

- it introduces the concept of Union citizenship, provides some measure of institutional reform and strengthens control of the Community's finances;
- it provides—on an intergovernmental basis rather than within the existing framework of Community law—for the establishment of a common foreign and security policy and for greater co-operation on issues concerned with justice and the law;
- it extends constrained Community competence to certain defined areas of policy relating to regional strategy, consumer protection, education and vocational training, environmental objectives and public health;
- it provides for moves towards economic and monetary union; and
- it embodies the principle of subsidiarity, under which action is taken at Community level only if its objectives cannot be sufficiently achieved by the member states acting alone.

The European Community



The social provisions chapter of the Treaty of Rome remains unchanged and will continue to provide the basis of Community action in social affairs.

A Bill designed to ratify the Maastricht Treaty has received its second reading in the House of Commons. The Government has announced that the remaining stages of the Bill will start at the end of 1992 or the beginning of 1993.

Community Institutions

Council of Ministers

Policy decisions are taken by the Council of Ministers, mostly on the basis of a proposal made by the European Commission. Some may be decided by majority or qualified majority, with votes weighted according to each country's size. In other cases the Council proceeds on the basis of unanimity. The Single European Act 1986 provided for increased use of qualified majority voting, particularly on internal market measures. The Maastricht Treaty similarly provides for an extension of majority voting to a limited number of areas. The Council is the main Community institution, whose members—usually foreign ministers or the ministers appropriate to the subject under discussion—represent each country directly in negotiations between member states.

Member states assume the presidency of the Council in rotation every six months. Britain held the office again during the second half of 1992.

Heads of Government usually meet twice a year as the European Council, which discusses Community policies and world affairs generally and provides guidance on major issues.

European Commission

The European Commission puts forward policy proposals, executes decisions taken by the Council of Ministers and ensures that Community rules are correctly observed. It is composed of 17 Commissioners (two from Britain), nominated by member governments and appointed by common agreement, and is pledged to act independently of national or

sectional interests.

The Commission administers the Community's Structural Funds (see p 66), prepares a draft budget and negotiates international agreements on behalf of the Community.

Under the terms of the Maastricht Treaty, the Commission and its President would be subject to the approval of the European Parliament at the start of their mandate, which would be for five years, rather than the current four-year term, from the beginning of 1995.

The Commission can be removed from office as a whole by a two-thirds majority of all members of the Parliament in a vote of censure.

European Parliament

The 518 members of the European Parliament are directly elected by the people in member states at five-yearly intervals. Of Britain's 81 representatives, 66 are elected in England, eight in Scotland, four in Wales and three in Northern Ireland. Members of the Parliament sit in party political groups and not national ones. The most recent election took place in 1989.

Community legislation is enacted by the Council of Ministers, but the Parliament must be consulted about major Community decisions and it has substantial shared power with the Council over the Community budget.

The Single European Act 1986 increased the Parliament's legislative powers. On certain proposed legislation, such as that relating to the internal market, it can voice an opinion on the Commission's proposal and on the common position adopted by the Council of Ministers. The latter is done at a second reading, which allows Parliament to make amendments. The Commission then reconsiders the proposal and may take account of the Parliament's amendments before the Council makes a final decision. There is a strict timetable on these consultation procedures in order to speed decision making.

Under the terms of the Maastricht Treaty the Parliament would be able, in certain policy areas, to reject by an absolute majority

of its members a proposal adopted by the Council if agreement could not be reached between the two institutions in a new joint Conciliation Committee. This procedure, applying mainly to Community policies subject to qualified majority voting in the Council, would cover internal market legislation, common policies for research and development, training and education, culture, health, consumer affairs and the environment programme.

The Parliament would also have additional powers under the Treaty to investigate alleged contraventions or maladministration in the implementation of Community law and to scrutinise the Commission's management of Community finances.

New applications for Community membership must receive the assent of an absolute majority of the Parliament, as must the conclusion of agreements establishing an association with other countries which involves reciprocal agreements.

Court of Justice

The Court of Justice, consisting of 13 judges, adjudicates on the meaning of the Treaties and on any measures taken by the Council of Ministers and the Commission. It is the final authority on Community law. Its rulings must be applied in member states, which would be fined under the terms of the Maastricht Treaty for failing to comply with a judgment of the Court.

There is also a Court of First Instance, created to relieve the Court of Justice of some of its workload.

Court of Auditors

The Court of Auditors examines all Community revenue and expenditure to see that it has been legally received and spent, and to ensure sound financial management. The Maastricht Treaty would increase the Court's status by making it an official Community institution, alongside the Council of Ministers, the Commission, the Parliament and the Court of Justice.

Policy Implementation

Community policies are implemented by:

- regulations which are legally binding on all member states;
- directives which are binding on the member states to which they are addressed, but which allow national authorities to decide on methods of implementation;
- decisions which are binding on those to whom they are addressed, such as member states, firms or individuals; and
- recommendations and opinions, which have no binding force.

The Council of Ministers can also indicate a general policy direction through resolutions.

Finance

The Community is financed by:

- a system of levies on agricultural imports;
- customs duties;
- contributions from member states based on value added tax (VAT) levied on a harmonised base, which is capped at 55 per cent of a member's gross national product (GNP); and
- contributions from member states based on GNP.

These are known as 'own resources'.

When it first joined the Community, Britain made a net contribution to the Community substantially in excess of that justified by its share of GNP. Following negotiations to put this right, Britain has received since 1984 an annual abatement of its contribution equal to two-thirds of the gap (in the previous year) between what Britain would have paid to the allocated budget if it had been financed by uncapped VAT, and its share of receipts.

Internal Policies

The Single Market

The Single European Act commits member states to establish a genuine single market by the end of 1992. The single market

programme covers, among other things, the liberalisation of capital movements, the mutual recognition of professional qualifications and the opening up of public procurement markets.

Completion of a single internal Community market for goods and services should reduce business costs, stimulate increased efficiency and improve European competitiveness in world markets. Britain regards the successful completion of the single market as one of the main priorities during its presidency, concentrating on the liberalisation of the energy market and transport.

Transport

Britain fully supports the further liberalisation of transport in the Community. Measures taken so far include the 1988 regulation to remove quotas on the movement of road haulage between member states by 1993, and a 1991 regulation increasing access to the market for air cargo operators licensed by member states. Further measures to liberalise civil aviation were agreed in June 1992. The opening of the Channel Tunnel will improve Britain's links with other member states.

Economic and Monetary Union

The Community has a European Monetary System consisting of an exchange rate mechanism (ERM), the European Currency Unit (ECU) and enlarged short- and medium-term credit facilities. The ECU is based on a 'basket' of currencies, the value of which is recalculated daily.

When the European Monetary System was first formed in 1979, Britain participated in the system, with the exception of the ERM, and deposited 20 per cent of its gold and currency reserves with the European Monetary Co-operation Fund in exchange for ECUs.

In October 1990 it joined the ERM, but, after a period of worldwide turmoil on the foreign exchange markets, suspended its membership in September 1992. The British Government has stated that the pound will not rejoin the ERM until there has been a

proper review of the way it works, the intervention rules, and the obligations placed on the currencies at the top and bottom of the ERM's bands.

In 1989 the European Council approved the first stage of a three-stage plan for Economic and Monetary Union (EMU), drawn up by a committee of governors of central banks. Implementation of this stage began in July 1990 and envisages:

- improved co-ordination of economic and monetary policy;
- completion of the single market;
- the strengthening of competition policy; and
- member states joining the ERM on equal terms.

Under transitional stage two, responsibility for policy would be transferred increasingly from national authorities to new institutions, including a European system of central banks. In stage three, exchange rates would become permanently fixed and national currencies would be replaced by a single European currency.

The British Government supports the main principles of stage one of the plan but is opposed to the imposition of a single European currency.

The Maastricht Treaty provides for the introduction of a single currency by 1 January 1999, although member states would have to satisfy certain convergence criteria relating to inflation rates, government deficit levels, currency fluctuation margins and interest rates. A special protocol recognises that Britain would not be obliged or committed to move to this final stage of EMU without a separate decision to do so by the Government and Parliament at the appropriate time. This would allow Britain to retain national policies on monetary and exchange rate policy. Britain would be free to join EMU later if it satisfied the convergence conditions set out in the Treaty.

Research and Development

Community industrial collaboration is promoted primarily through a five-year framework programme for the period between 1990

and 1994, which defines priorities and sets out the overall level of funding.

The British Government played a major role in negotiations on the current programme by ensuring that its objectives reflect the needs of British industry and that they complement other national and international programmes.

Under the current programme, priority is being given to information technology (ESPRIT), telecommunications (RACE) and industrial materials and technologies. However, there are other important programmes covering the environment, biotechnology, agriculture, health and energy, along with new funding for the application of information technology—the Telematics programme. There is also a scheme for the exchange of researchers.

Together with a number of other European states and the European Commission, Britain participates in the EUREKA programme, which is concerned with the commercial exploitation of research and development and with removing barriers to commercial success.

Structural Funds

The main objectives of the Community's three Structural Funds are to:

- promote economic development in poorer regions;
- convert regions seriously affected by industrial decline;
- combat long-term unemployment;
- train young people to find jobs; and
- promote development in rural areas.

Infrastructure projects and productive investments are financed by the European Regional Development Fund. The European Social Fund supports training and employment measures for the long-term unemployed and young people. The Guidance Section of the European Agricultural Guidance and Guarantee Fund supports agricultural restructuring and some rural development measures.

Other Community programmes aim to assist the development of new economic

activities in regions affected by the restructuring of traditional industries such as steel, coal and shipbuilding.

In 1991 Britain received just under 12 per cent of lending within the Community by the European Investment Bank. As a non-profit-making institution, the Bank lends at competitive interest rates to public and private capital projects. Lending is directed towards:

- less favoured regions;
- transport infrastructure;
- protection of the environment;
- improving industrial competitiveness; and
- supporting loans to small and medium-sized enterprises.

The Bank also provides loans in support of the Community's policy of co-operation with the countries of the Mediterranean basin, Central and Eastern Europe and the African, Caribbean and Pacific (ACP) states.

The Maastricht Treaty provides for the setting up of a Cohesion Fund by the end of 1993 in order to reduce the gaps between the prosperity of the poorest member states of the Community and the others. The Fund will finance projects in the areas of environmental protection and transport infrastructure for Spain, Portugal, Greece and the Irish Republic, provided they have an appropriate economic programme.

Employment and Social Affairs

Britain believes that the Community's social dimension should lie in gains in employment and prosperity as a result of the single European market, which will create the climate for improvements in living and working conditions. The Government supports:

- practical measures for employment growth and to reduce unemployment; and
- the substantial number of measures taken on health and safety at work, freedom of movement for workers, Community-wide recognition of professional and vocational qualifications, and equal opportunities and treatment for women at work.

However, the Government is opposed to measures which, in its view, would impose further regulations and costs on employers and damage Community competitiveness. For this reason, it could not accept proposals for new and far-reaching Community powers in the social area in the Maastricht Treaty.

The Environment

A regulation establishing the European Environment Agency was adopted by the Community in 1990. This is designed to bring together environmental information from existing bodies for the use of member states and the Commission.

In 1988 Britain and most of its Community partners agreed to reduce substantially their emissions of sulphur dioxide and nitrogen dioxide from power stations, refineries and other large industrial plants and to set stringent emission standards for new plants.

In 1987 the Community signed the Montreal Protocol on substances that deplete the ozone layer. In 1990 the parties to the Protocol agreed to phase out chlorofluorocarbons (CFCs) and non-essential use of halons by 2000. Controls on some other ozone-depleting chemicals were also agreed. Britain and the Community subsequently agreed to phase out CFCs by mid-1997. Britain has pressed for even earlier action on these lines. The Protocol is to be reviewed in November 1992. The Community is proposing that CFCs, halons and carbon tetrachloride should now be phased out by the end of 1995.

Member states are also taking action on car exhaust pollution. Under these measures, emissions of nitrogen oxide, carbon monoxide and hydrocarbons from each new car are being reduced by about 75 per cent. From the end of 1992, almost all new petrol-engined cars will be required to use three-way catalytic converters and run on unleaded petrol. Apart from meeting limits on gaseous emissions, diesel cars and trucks, light vans and buses over 3.5 tonnes will need to comply with strict smoke limits. Unleaded petrol is widely available throughout the Community.

Britain has played a leading role in the development of a voluntary Community scheme for labelling less environmentally harmful products. There are Community controls on the movement of hazardous waste and dangerous chemicals.

A new fund for the environment (LIFE) is being established, bringing together several existing funds and incorporating new areas for Community support.

The Community has banned the import of whale products, harp and hooded seal pup skins and ivory from the African elephant. The Council of Ministers agreed a directive in December 1991 to protect habitats and wild flora and fauna through the establishment of a network of special areas of conservation.

Agriculture and Fisheries

The Common Agricultural Policy (CAP) is designed to secure food supplies and to stabilise markets. It has also, however, created overproduction and unwanted food surpluses, placing an increasing burden on the Community budget.

Britain is one of the main advocates of reform of the CAP, persuading its partners in 1988 to agree a limit on overall agricultural spending. In May 1992 agriculture ministers agreed to:

- a progressive reduction in support prices for cereals by about 30 per cent from the start of the 1993-94 marketing year. In compensation, producers will be offered a direct subsidy on an area basis, provided that they agree to take 15 per cent of their arable land out of production;
- a cut in beef intervention prices by 15 per cent over three years from 1 July 1993 and the progressive introduction of ceilings from 1993 on the annual amount of beef which may be purchased into intervention; and
- the freezing of milk support prices for 1992-93 and cuts in butter support prices by 2.5 per cent a year in 1993-94 and 1994-95.

Britain has a particular interest in the control of Community fishing, since a

sizeable proportion of the total Community catch comes from British waters. It therefore takes an active role in Community fisheries policy negotiations.

Political Co-operation

Common Foreign and Security Policy

The Single European Act 1986 committed Community member states to the process of political co-operation under which they formulate and implement agreed positions on major international issues. The Maastricht Treaty provisions for the establishment of a common foreign and security policy build on this process and have been fully endorsed by the British Government.

Under the Maastricht Treaty, common foreign and security policies would be implemented through intergovernmental procedures in the Council of Ministers. These would be outside Community competence and the jurisdiction of the Court of Justice. The Commission would, however, continue to be fully associated with the work carried out and the European Parliament kept regularly informed.

Co-operation on the whole range of foreign policies would continue. In addition, on the basis of general guidelines from the European Council, the Council of Ministers could decide that some issues should be the subject of joint action. It would define the scope and objectives of such action and the means, procedures and duration of its implementation. All decisions would continue to be taken by unanimity in the Council, though the Council might decide unanimously that some implementing decisions could be taken by majority voting.

Member states would be free to take national action where imperative, provided that they informed the other member states.

A special provision ensures that Britain's responsibilities as a permanent member of the UN Security Council (see p 60) would not be prejudiced.

The Maastricht Treaty says that the common foreign and security policy 'shall include all questions related to the security of the European Union, including the eventual

framing of a common defence policy, which might in time lead to a common defence'. The treaty provides that defence arrangements at the European level should not prejudice national policies and must remain compatible with those of NATO. The Western European Union (see p 74) would be built up as the defence pillar of the European Union.

The Middle East

Community policy towards the Arab-Israeli dispute has been guided by the European Council's Venice Declaration of 1980, requiring the acceptance of two basic principles—the right of all countries in the area, including Israel, to live within secure, recognised and guaranteed frontiers and the right of the Palestinian people to self-determination.

The Community and its member states have given full support to the Middle East peace negotiations—based on UN Security Council Resolutions 242 and 338—which were inaugurated at the Madrid Conference in October 1991 under the co-sponsorship of the United States and the former Soviet Union. The Community and its member states are determined to play a constructive and active role, particularly in the multilateral aspects of these negotiations.

The Community has fully supported UN efforts to press Iraq to meet its obligations under UN Security Council resolutions adopted following its military defeat and expulsion from Kuwait. It has also made a major contribution to the international relief effort in Iraq, in particular for Kurdish refugees following violent repression by the Iraqi regime.

The Former Soviet Union

The abortive coup in Moscow in August 1991 led rapidly first to the Baltic states regaining their independence and then to the dissolution of the Soviet Union itself. As the Union dissolved at the end of 1991, Britain and its Community partners welcomed the fact that Russia had taken over responsibility for the former Soviet Union's international

obligations. In response to the unprecedented situation they faced, they agreed to recognise the independence of the other former republics but first sought certain assurances. The Community asked that new states in the former Soviet Union, and in Eastern Europe, should undertake to:

- respect the provisions of the UN Charter and the commitments in the Helsinki Final Act and the 1990 Charter of Paris on the rule of law, democracy and human rights;
- guarantee the rights of minorities and ethnic and national groups;
- respect the inviolability of all frontiers, which could be changed only by peaceful means and common agreement;
- accept all commitments on disarmament and nuclear non-proliferation and on regional stability and security; and
- commit themselves to settle by agreement all questions concerning state succession and regional disputes.

Having obtained the necessary assurances, the Community duly recognised all the former Soviet republics as independent countries. The Community has contributed substantial sums to help sustain political, economic and social stability in the newly independent states, and to encourage democratic reforms, the introduction of market economies and regional co-operation.

Former Yugoslavia

The main external efforts to find a solution to the present crisis in former Yugoslavia, which followed declarations of independence by Slovenia and Croatia in June 1991, have been undertaken through the Conference on Security and Co-operation in Europe (CSCE), the EC, and more recently the UN.

In an effort to secure a lasting ceasefire, the EC established a peace conference in September 1991. To support this, it also set up a multinational monitoring mission based in Zagreb to resolve conflict on the ground.

On the basis of the recommendations of the Arbitration Commission attached to the conference, the EC recognised Slovenia,

Bosnia-Herzegovina and Croatia early in 1992. In April 1992 Serbia and Montenegro proclaimed themselves the Federal Republic of Yugoslavia (FRY). In September the UN General Assembly decided that the FRY was not the continuation to former Yugoslavia and that it should apply for UN membership in its own right.

The conflict in Bosnia between the three main parties, Serbs, Croats and Muslims, escalated dramatically in April 1992, and in May the UN imposed a wide range of sanctions on Serbia and Montenegro because of their failure to take measures to cease military interference in Bosnia. The conflict in Bosnia has resulted in over 2 million displaced persons.

In recognition of international concern at the suffering in Bosnia, the EC and the UN called the London Conference in August 1992, which brought together, for the first time, all parties to the conflict as well as other interested parties. This secured a commitment by all parties to clear principles for a negotiated settlement. The International Conference in Geneva under the co-chairmanship of the EC and the UN is continuing the work of the previous conferences.

South Africa

The Community and its member states continue to support the peaceful transformation of South Africa into a democratic and non-racial society. They welcomed the opening of the Convention for a Democratic South Africa (CODESA) in December 1991 and, as a demonstration of their support for the negotiating process, lifted their 1985 ban on oil exports in April 1992.

The Community and its member states have expressed their deep concern over continuing violence in South Africa, and have urged all parties to participate fully in constitutional negotiations. A group of EC Foreign Ministers, led by the British Foreign and Commonwealth Secretary, visited South Africa in early September: agreement was reached on the deployment of EC observers to strengthen National Peace Accord structures.

The Community has substantially increased its aid programmes to help the victims of apartheid.

Justice and Home Affairs

Member states have for some time sought to act jointly against the threat posed by international and other terrorism. They have agreed not to export arms or other military equipment to countries clearly implicated in supporting terrorist activity and to take steps to prevent such material being diverted for terrorist purposes.

The Twelve believe that there should be no concessions made under duress to terrorists or their sponsors and that every effort should be made to prevent terrorism and to bring the guilty to justice.

Regular meetings of ministers responsible for police and criminal issues take place to develop and discuss co-operative measures to prevent, investigate and prosecute terrorist offences and other serious crime. Such measures include the exchange of police liaison officers, a secure communications link between police forces and a regular joint assessment of the terrorist threat. In December 1991, member states agreed to set up a central European Police Office (EUROPOL) to help combat drug trafficking and other serious forms of organised crime.

This illustrates the great importance attached by the Twelve to anti-drugs co-operation, which focuses also on international co-operation, assistance to developing countries, education and health. A committee co-ordinates anti-drugs work and a European political co-operation working group deals with the international aspects. Britain and its Community partners believe that the problem of drug misuse requires a comprehensive strategy designed to tackle demand and supply. They fully support the work of the United Nations in combating drug trafficking and they also participate in regular meetings of the Council of Europe's Pompidou Group, which deals with anti-drug measures.

Under the Maastricht Treaty, work in all these areas would be intensified through increased intergovernmental co-operation.

Britain believes that, with the introduction

of the single market at the end of 1992, some frontier controls will need to be retained to ensure that terrorists and other criminals do not enjoy unlimited freedom to move from one member state to another.

Trade

Under the Treaty of Rome, the European Commission negotiates on behalf of the Community in major international trade negotiations. The Community is seeking to extend the world open trading system on which member states depend for future growth and jobs, and to defend the interests of its members against protectionist measures.

One of the Community's priorities is the successful conclusion of the Uruguay Round of trade negotiations launched in 1986. The negotiations seek to:

- strengthen the rules and disciplines of the General Agreement on Tariffs and Trade (GATT);
- liberalise trade in services and investment;
- improve protection of intellectual property;
- negotiate multilateral tariff reductions; and
- establish a fair and market-oriented system for agricultural trade.

The Community has association and co-operation agreements with virtually all non-member countries with a Mediterranean coastline, plus Jordan. These give preferential access to Community markets. Non-preferential co-operation agreements have also been made with individual countries in South Asia and Latin America, as well as with the People's Republic of China, the Association of South East Asian Nations, the Andean Pact and the Central American states. Trade relations with the developing countries of Africa, the Caribbean and the Pacific are governed by the Lomé Conventions (see p 77).

The Community has concluded association agreements with Czechoslovakia, Hungary and Poland, and is negotiating similar agreements with Romania and Bulgaria.

WILDLIFE CONSERVATION



The Royal Society for the Protection of Birds (RSPB) is the largest voluntary wildlife conservation body in Europe. Here binoculars donated to the Society are being checked and repaired before being distributed worldwide for conservation use; a barn owl looks on.



British schoolchildren attend the launch of the Savannah Wildlife Project at Bristol Zoo, south-west England. The project will take the zoo's educational staff to the Chipangali Wildlife Trust near Bulawayo, Zimbabwe, to promote sustainable use of the savannah ecosystem through research and development.

THE 1992 GENERAL ELECTION



Children of West Belfast keeping Dr Joe Hendron (Socialist Democratic and Labour Party) company as he canvassed in his constituency. He was later elected as Member of Parliament.



Ballot boxes are scrutinised immediately before voting starts to ensure that they are empty; they are then locked and sealed.



Voters in London leaving a polling station after casting their votes. The polling stations open at 07.00 and close at 22.00.

In most constituencies counting of votes starts about 30 minutes after polling stations have closed, when ballot boxes are delivered to central locations. Teams of people work without a break until the job is completed, usually in the early hours of the morning.



Newspapers, television and radio closely follow every moment of the election campaign. Here John Major, returning to 10 Downing Street as Prime Minister, answers questions from reporters.



ARCHAEOLOGY



Excavations at this site near Cheapside, London, have revealed many items from Roman, Saxon and medieval times. An archaeologist working for the Museum of London displays a restored 11th century Saxon shoe which was found at the site.

Divers called in by the National Trust to find out how the stone slabs at Knole House are supported discovered an underground reservoir with a series of classical arches below the waterline, supporting the courtyard. Knole House, near Sevenoaks, Kent, was built between 1456 and 1486 and was once owned by Henry VIII.



Trade and co-operation agreements have been concluded with Albania and the three Baltic states. The Community plans to negotiate enhanced trade and co-operation agreements with Russia, Belarus and Kazakhstan.

The European Community has negotiated an agreement with the European Free Trade Association (EFTA) on the creation of a European Economic Area under which the single market is to be extended to EFTA members in January 1993. It will create a market of over 375 million people, accounting for some 40 per cent of world trade, and will facilitate accession to the Community for those EFTA countries that wish it.

The Community's Generalised System of Preferences grants tariff-free access to the Community market for most industrial goods from developing countries and varying degrees of preferential access for their agricultural produce (mainly processed) and textiles. The scheme concentrates benefits on the poorer producers and countries. Very few categories of exports from the more competitive producers are excluded.

The Commonwealth

The Commonwealth⁴ is a voluntary association of 50 independent states with a combined population of some 1,500 million, nearly a quarter of the world total. Commonwealth members include some of the richest and poorest nations of the world community and also some of the largest and smallest. Their peoples are drawn from practically all the world's main races, from all continents and from many faiths. Britain participates fully in all Commonwealth activities.

The members are Antigua and Barbuda, Australia, Bahamas, Bangladesh, Barbados, Belize, Botswana, Britain, Brunei, Canada, Cyprus, Dominica, The Gambia, Ghana, Grenada, Guyana, India, Jamaica, Kenya,

Kiribati, Lesotho, Malawi, Malaysia, Maldives, Malta, Mauritius, Namibia, Nauru, New Zealand, Nigeria, Pakistan, Papua New Guinea, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Seychelles, Sierra Leone, Singapore, Solomon Islands, Sri Lanka, Swaziland, Tanzania, Tonga, Trinidad and Tobago, Tuvalu, Uganda, Vanuatu, Western Samoa, Zambia and Zimbabwe. Nauru and Tuvalu are special members, entitled to take part in all Commonwealth meetings and activities, with the exception of Commonwealth Heads of Government meetings.

The Queen is recognised as head of the Commonwealth; she is also head of State in 16 of these countries.

Nearly all the Commonwealth countries were British territories to which independence was gradually granted, starting with the older territories such as Canada, Australia, and New Zealand where European settlement had occurred on a large scale. The modern Commonwealth, comprising republics and national monarchies as well as monarchies under the Queen, became possible when it was agreed in 1949 that India, on becoming a republic, could continue to be a member. Since then, almost all of Britain's former dependent territories have attained their independence and have voluntarily joined the Commonwealth.

Consultation

Consultation between Commonwealth member states takes place through:

- meetings of heads of Government;
- specialised conferences of other ministers and officials;
- diplomatic representatives known as high commissioners;
- non-governmental organisations; and
- other international discussions.

Heads of Government meet every two years. Proceedings are held in private, facilitating a frank and informal exchange of views on international issues. No votes are taken, decisions being reached by consensus. Common views are set out in the

⁴For further details see *Britain and the Commonwealth* (Aspects of Britain: HMSO, 1992).

communiqués issued at the end of the meetings. Occasionally, separate declarations are made on particular issues.

With the apartheid system now being abolished in South Africa, Britain hopes that the Commonwealth will join in building the new society there by helping to restore growth to the South African economy, and by drawing on the Commonwealth's experience with education and training programmes. Britain would support any application by a post-apartheid South Africa to rejoin the Commonwealth.

The Commonwealth has expressed concern about the security and development of the many small states among its members. Britain supports regional co-operation and provides economic aid and technical assistance. It is also British policy to consult with other Commonwealth states in the event of aggression against small member nations and to involve the UN Security Council where appropriate.

The Commonwealth Secretariat

The Commonwealth Secretariat promotes consultation and co-operation, disseminates information on matters of common concern, and organises heads of Government meetings, ministerial meetings and other conferences. Because of its neutral position the Secretariat has been able to make its good offices available in cases of dispute and has carried out, on request, special assignments requiring demonstrable impartiality.

The Secretariat is financed by all member governments on an agreed scale, with Britain contributing 30 per cent of the total.

The Secretary-General is elected by Commonwealth Heads of Government.

Technical Co-operation

The Commonwealth Fund for Technical Co-operation (CFTC), administered by the Commonwealth Secretariat, provides expertise to all developing countries within the Commonwealth. It enables each state to offer its own skills to others. Britain contributes about 30 per cent of Commonwealth income to the Fund.

Britain also contributes 30 per cent of Commonwealth income to:

- the Special Commonwealth Fund for Mozambique, which provides technical assistance to that country and draws upon the specialised divisions of the CFTC; and
- the Enhanced Commonwealth Fund for Namibia, which provides technical assistance for social and economic development.

Most of the expenditure by Britain on bilateral technical co-operation with Commonwealth developing countries is on financing staff for service with Commonwealth governments and in funding training places in Britain. The British Government also finances students from Commonwealth developing countries. Other assistance includes sending volunteers to serve overseas, consultancy services, the supply of training and research equipment, and advice given by British scientific and technical institutions. About 70 per cent of Britain's gross bilateral aid goes to Commonwealth countries, including Britain's remaining dependencies.

Commonwealth Organisations

Commonwealth Foundation

The Commonwealth Foundation, financed by member governments, promotes co-operation among professional and other non-governmental organisations within the Commonwealth. It has assisted a wide variety of Commonwealth professional associations, and has helped in the creation and growth of many national ones; it has also supported multidisciplinary professional centres. It is encouraging the strengthening of non-governmental organisations by establishing liaison units in each Commonwealth country, exchanging information and supporting training, meetings and technical exchange.

The Commonwealth Institute

The Commonwealth Institute in London promotes the Commonwealth, its countries

and its peoples to the British public. Funded mainly by the British Government, it has galleries of permanent exhibitions and a changing programme of temporary exhibitions, conferences and performances. Its education service runs an extensive programme of teaching about the Commonwealth for schools. A wide range of books and other materials can be borrowed.

Other Organisations

Many unofficial organisations, professional bodies and voluntary societies are vehicles for co-operation. They include the Commonwealth Parliamentary Association, which organises an annual conference of parliamentarians, the Commonwealth Press Union, the Association of Commonwealth Universities, the Commonwealth Games Federation and the English Speaking Union of the Commonwealth.

The Commonwealth Trust is a centre for study and discussion, its library in London housing one of the largest collections on the Commonwealth; the Trust, an umbrella organisation for the Royal Commonwealth Society and the Victoria League for Commonwealth Friendship, has branches in many countries.

Other International Organisations

Britain is a member of many other international organisations, including the International Monetary Fund, established in 1945 (along with the World Bank) to regulate the international financial system and to provide a source of credit for member countries facing balance-of-payments problems.

Britain is also a member of the Organisation for Economic Co-operation and Development (OECD), an instrument for intergovernmental co-operation among 24 industrialised countries. The basic objectives of the OECD are to promote the economic growth of its members, to help less developed countries within and outside its own membership and to encourage worldwide trade expansion.

Other organisations to which Britain belongs or extends support include the regional development banks in Africa, the Caribbean, Latin America and Asia; and specialist technical, agricultural and medical institutions.

Britain is a founder member of the Council of Europe, which is open to any European parliamentary democracy accepting the rule of law and the protection of the fundamental human rights and freedoms. The member states co-operate on culture, education, sport, social questions, legal affairs, health, crime and drug prevention, youth affairs and the improvement of the environment.

The Council was responsible for the adoption in 1950 of the European Convention on Human Rights, which Britain was the first to ratify in 1951. Britain recognises the right of individual petition and the compulsory jurisdiction of the European Court of Human Rights.

International Peace and Security

Britain is pledged to maintain effective defence while seeking to reduce tension in the world. Since 1949 its defence has been based on membership of NATO, a defensive alliance based on the principle of collective security. In November 1991 NATO members set out a new strategic concept which emphasised the role of the Alliance as a source of stability in Europe. They also established the North Atlantic Co-operation Council, which brings together NATO and the new democracies of Central Europe and the former Soviet Union, which were formerly members of the Warsaw Pact. In June 1992, NATO agreed to support, on a case-by-case basis, peacekeeping activities under the responsibility of the Conference on Security and Co-operation in Europe (CSCE).

European Security and Defence

At the Rome and Maastricht summits in November and December 1991, Britain agreed with its partners and allies that a

European defence identity should be developed based on the Western European Union (WEU) as a means of strengthening NATO's European pillar. Since then, Britain has participated in work to develop the WEU's operational role, enlarge its membership and move its headquarters from London to Brussels in order to enable it to liaise closely with NATO and European Community member states.

East-West Relations

Britain welcomes further improvements in East-West relations including:

- United States–Russian initiatives in nuclear weapons control and in the Middle East peace process;
- the expansion in the number of states participating in the CSCE; and
- the Open Skies agreement, which will allow reconnaissance flights over CSCE member states' territory.

Britain supports reforms made by the democratically elected governments in Eastern and Central Europe, and welcomes the establishment of the Commonwealth of Independent States following the break-up of the Soviet Union at the end of 1991. Britain is also committed to the need to give the new independent states support and co-operation.

Economic Assistance

Britain recognises the magnitude of the task now being undertaken by Russia and the other new governments in Central and Eastern Europe in transforming their centrally planned economies into market-based ones. The British Government's 'Know How' Fund—some £50 million allocated in 1992–93—is helping them by providing training and advice in such areas as management and financial services, banking and accountancy, commercial law and privatisation of industry and commerce. Some 500 projects are receiving assistance. Britain is also supporting debt-rescheduling schemes being negotiated by the International Monetary Fund with several Eastern European countries. In addition, it is

participating in other multilateral assistance plans, including World Bank loans and European Community agreements liberalising trade, aimed at encouraging the development of market economies.

Conference on Security and Co-operation in Europe

Britain welcomes the recent and significant improvements in the implementation of the provisions of the 1975 Helsinki Final Act, which established a large number of important political commitments and a code of behaviour for a more normal and open relationship between both governments and peoples in East and West. In order to achieve these goals, the signatories of the Final Act made undertakings about security, respect for human rights, and co-operation in economic, humanitarian and other matters. These commitments were developed at follow-up meetings, notably the Helsinki meeting in July 1992, which agreed new commitments on human rights.

Meeting in Paris in 1990, CSCE states agreed to the formal end of the Cold War. In the Charter of Paris for a New Europe, they expressed their commitment to democratic principles and to the principle of enshrining human rights and fundamental freedoms in a society based on the rule of law. They also agreed to establish a ministerial council supported by a committee of senior officials and a permanent secretariat. Another permanent CSCE body to deal with future conflicts, an office for human rights and democratic institutions, and a CSCE parliamentary assembly have also been set up.

In 1986 participating states signed the Stockholm Document on confidence- and security-building measures, designed to bring about a greater degree of openness and predictability in military activities. It provides for advance notification and observation of planned military manoeuvres and the provision of detailed information on their purpose and size. Verification takes place in the form of on-site challenge inspections. In 1990 and 1992 CSCE states endorsed further measures, including more detailed exchange of information on armed forces. Under the

Open Skies treaty, signed in March 1992 by NATO and eight former Warsaw Pact countries, unarmed reconnaissance flights can fly over the signatories' territories to check military activities.

Arms Control

Together with its NATO allies, Britain is committed to pursuing further progress in arms control and confidence-building measures in order to increase security and stability. They are also playing an active part in promoting dialogue and co-operation between states on the basis of the principles outlined in the 1990 Paris Charter.

Nuclear Weapons

Britain welcomes the commitment by members of the Commonwealth of Independent States to implement the arms control obligations of the former Soviet Union. These include the START Treaty (reducing US and Soviet strategic nuclear weapons) and an undertaking to eliminate ground-launched tactical nuclear weapons.

The announcement in May 1992 that all tactical nuclear weapons had been withdrawn to Russia for dismantling is a positive step towards the elimination of these weapons. Agreement was also reached in May 1992 on the implementation of the START Treaty and the removal of the remaining strategic nuclear weapons from Ukraine, Belarus and Kazakhstan within the Treaty's seven-year implementation period. Britain is providing Russia with special containers and vehicles for the safe transport of nuclear warheads at an overall cost of £30 million.

Britain's Nuclear Deterrent

Britain is committed to maintaining the minimum strategic nuclear deterrent necessary to guarantee its future security and that of its allies. Britain's deterrent is only a fraction of the nuclear forces of the United States and Russia and will continue to be so, even after the implementation of the START Treaty and other strategic arms reduction proposals. It will continue to be a minimum

deterrent when the existing Polaris strategic submarine force is replaced by Trident submarines from the mid-1990s.

Britain believes that negotiations on strategic weapons should continue to focus on reducing the arsenals of the United States and Russia, and strongly supports further moves to scale down the strategic nuclear arsenals of these countries. It has never ruled out the possibility of becoming involved in strategic arms control talks at the appropriate time. In the meantime, Britain has announced significant reductions in its sub-strategic nuclear capability, including a reduction of about 50 per cent in its nuclear free-fall bombs.

Non-Proliferation

Britain is a party to the 1968 Non-Proliferation Treaty (NPT) designed to stop the spread of nuclear weapons by ensuring that nuclear materials in non-nuclear-weapons states are not used for explosive purposes. It also protects the right of all countries to use nuclear energy for peaceful purposes.

Britain was the first nuclear-weapons state to conclude a voluntary agreement with the International Atomic Energy Agency for the application of safeguards to some nuclear installations. Britain and its EC partners have made proposals to ensure the continuing effectiveness of the international safeguards, including the use of special inspections to undeclared sites.

Britain looks to Russia to abide by the obligations of a nuclear-weapons state under the NPT and believes that all other former Soviet republics should accede to the Treaty as soon as possible.

The British Government strongly supports the agreement between the European Community, the United States, Japan and Russia to establish an International Science and Technology Centre in Russia to fund and co-ordinate the peaceful employment of former Soviet military scientists. Britain's share of EC funding for the centre is some £2.5 million.

Britain has also undertaken not to use nuclear weapons against non-nuclear-weapons states which are parties to the Treaty or to

other internationally binding commitments not to manufacture or acquire nuclear explosive devices. This undertaking would not apply in the case of an attack on Britain, its dependent territories, its armed forces or its allies by such a state in association or alliance with a nuclear-weapons state.

Nuclear Testing

Because of the need to preserve nuclear deterrence for the foreseeable future, Britain has a continuing requirement to sustain a minimum programme of nuclear tests to maintain the safety and effectiveness of its nuclear deterrent. A comprehensive test ban therefore remains a long-term goal. The Government's view is that progress towards such a ban can only be made on a step-by-step basis, taking account of progress on arms control and improving prospects for effective verification.

All Britain's nuclear tests are carried out underground at the US Nevada Test Site under the terms of the 1963 Partial Test Ban Treaty and the 1974 Threshold Test Ban Treaty, which sets a ceiling on the yield of nuclear tests. The British Government is satisfied that these pose no threat to the environment or public health.

Nuclear-Weapon-Free Zones

The Government thinks that the establishment of nuclear-weapon-free zones in certain parts of the world could contribute to regional security, to non-proliferation and to disarmament in general, provided that nuclear weapons do not already feature in the security of the region involved and that the balance of security is maintained.

Conventional Weapons

Conventional weapons are by far the largest component of national armouries. In November 1991 Britain ratified the agreement covering reductions in conventional armed forces in Europe (the CFE Treaty) which Britain and 21 other states signed in 1990. The Treaty is designed to establish a balance of conventional forces at lower levels, while

eliminating the danger of surprise attacks. In addition, there is provision for a rigorous and intrusive verification regime. Britain played a major role in the negotiations. The Treaty came into force in July 1992, as did an agreement on numbers of military personnel.

The Gulf war demonstrated the danger of a nation building up an arsenal far beyond its legitimate defensive requirements. In order to introduce greater transparency in the arms trade, allow the scale of arms build-up in any one country to be monitored, and discourage destabilising sales to regions of tension, Britain tabled, with other EC countries and Japan, a UN resolution calling for the setting up of a register of conventional arms transfers. The resolution was passed at the UN General Assembly in December 1991, and a register came into effect in January 1992.

Chemical and Biological Weapons

Britain is working towards a comprehensive and verifiable ban on chemical weapons, having abandoned its own chemical weapons in the late 1950s. A draft convention has been agreed by the Conference on Disarmament in Geneva, and this will open for signature in 1993. Biological weapons are already prohibited under a 1972 Convention. Parties to the Convention are currently examining ways of strengthening the verification provisions.

Britain is an active member of the Australia Group of 22 mainly OECD states which harmonise export controls to prevent the export of certain materials that could be used for chemical and biological weapons by proliferators.

Pending implementation of a global ban on chemical weapons, Britain and some other Western nations have imposed export controls on certain chemicals which may be used to produce chemical weapons; they are also discussing ways of curbing further proliferation of chemical weapons.

Development Co-operation

The aim of Britain's overseas aid effort to developing countries is to promote

sustainable economic growth and social development in order to improve the quality of life and reduce poverty, suffering and deprivation in developing countries.

In 1990–91 gross British aid was worth £1,688 million. Of this, £1,021 million was allocated bilaterally and £628 million through international organisations such as the European Community (£310 million), the World Bank Group (£159 million), the United Nations agencies (£78 million) and the regional development banks (£35 million). Some £39 million was spent on administration of the aid programme.

Britain is the sixth largest aid donor in the world. Its programme seeks to:

- promote economic reform in developing countries;
- promote good government;
- reduce poverty;
- improve education and health;
- help developing countries tackle environmental problems;
- promote the private sector;
- contribute to economic development; and
- improve the co-ordination of international responses to major emergencies.

Economic Reform

In Britain's view sustainable development requires sound economic policies, including incentives to producers, control over inflation and the encouragement of savings and sensible investment. If economic reform is to succeed, the poorest countries need substantial help to finance essential imports. Britain has, therefore, committed or pledged some £550 million to the Special Programme of Assistance for sub-Saharan Africa, which aims to mobilise balance-of-payments support for low-income African countries affected by debt. Co-ordinated by the World Bank, this support is conditional on the application of economic reform. Countries helped by the Programme include The Gambia, Ghana, Uganda, Tanzania, Kenya, Malawi, Mozambique and Zambia.

Britain also contributes to European

Community aid programmes to 69 African, Caribbean and Pacific countries under the Lomé Convention. If these countries have an economic reform programme agreed with the IMF and World Bank, aid worth £250 million is available from the European Development Fund.

The International Development Association provides concessional resources for World Bank-financed reform programmes. Up to 30 per cent of the Ninth Replenishment, to which Britain is contributing £620 million, is available for this purpose.

Promotion of Good Government

The principal elements of good government are:

- sound economic policies, effective use of resources, absence of corruption and avoidance of excessive military expenditure;
- freedom of expression and political pluralism; and
- respect for human rights and the rule of law.

Good government, in Britain's view, is essential for sustainable development. It is British policy to consider reducing or stopping development aid in countries which show no inclination to improve standards. Such aid has been stopped in Sudan because of human rights abuses.

Examples of aid designed to promote good government include:

- advice and training in public administration in Botswana, Lesotho, Tanzania, Uganda, Mozambique, Namibia, Zambia and Zimbabwe;
- advice on parliamentary procedure in Namibia;
- support for legal services in Namibia, Uganda, Kenya, Lesotho and Zimbabwe;
- support for social services management in Mexico, customs administration in Anguilla and public sector reform in Jamaica; and
- the provision of over 100 training awards in Britain for Indian civil servants.

Reduction of Poverty

British aid designed to reduce poverty has four main elements:

- the allocation of 80 per cent of bilateral aid for the poorest countries;
- support for economic growth;
- finance of poverty reduction activities; and
- ensuring that vulnerable groups are protected from hardship during economic reform.

Much of the work in Africa seeks to improve social conditions by providing direct assistance to education, health and community services. Experts and training help develop local skills, while materials and equipment are also provided. In Pakistan and Bangladesh support is being given to community-based rural development programmes which will be self-sustaining in the longer term. In India some 1.5 million people are benefiting from improvements in their physical environment and from improved access to health and education services. Aid expenditure in support of such projects in India was £20 million in 1991.

Some £23 million was spent in 1991–92 on the joint funding scheme, which co-finances more than 1,400 projects with over 100 voluntary agencies. Evaluations of the scheme, which started in 1976, have concluded that these organisations are well placed to meet the basic needs of the poorest people. The Government also meets up to 90 per cent of the costs of recruiting and sending skilled volunteers to developing countries, with grants totalling £15.9 million in 1991–92. Volunteers work with some of the poorest groups; for example, in remote parts of Nepal they are responsible for the running of child-care centres and community development activities.

The British Government has also encouraged international agencies to allocate more funds to poorer countries. Partly as a result of this, the UN Development Programme is allocating 55 per cent of its resources to the least developed countries from 1992 to 1996. Similarly, the UN Children's Fund is paying more attention to the need to strengthen basic health care for children and the community.

Education and Health

British aid supports several education programmes in poorer countries, including:

- teacher training for 150,000 primary teachers in 50,000 schools in Andhra Pradesh in India; and
- support for regional polytechnics in Nigeria.

Help is also given to education ministries to assist educational planning and the access of disadvantaged groups to educational facilities.

In 1990 the ODA provided some 8,385 person-years of training in Britain and overseas for people from developing countries.

Britain has committed £26 million to the World Health Organisation (WHO) Global Programme on AIDS; in addition it has pledged £8.2 million for national and regional AIDS control programmes in Commonwealth African and Asian countries and in Britain's Caribbean Dependent Territories.

Health services in over 20 countries are being supported by the British aid programme. Special attention is being given to:

- strengthening primary health care services, particularly for women and children;
- improving control of communicable diseases;
- helping to establish management systems to ensure the provision of good quality care at an affordable cost; and
- improving access to reproductive health services.

Some £90 million has been allocated to population projects over the last five years. The aims are to help improve the coverage of reproductive health services and the reliability of contraceptive supplies, and to enable women to take greater control of their lives. A major contribution is to be made to a

World Bank-led project in Bangladesh where more than one-third of couples are taking part in family planning. In the Indian state of Orissa a British-assisted project is making progress on strengthening village health and population services.

The Environment

British aid strategy on the environment is to:

- assess the environmental impact of all aid projects and take action to reduce any negative effects;
- emphasise the conservation of forests and energy efficiency; and
- help developing countries to carry out studies and participate in discussions on environmental issues.

In 1989 Britain undertook to commit a further £100 million towards tropical forestry projects over a three-year period. Over 120 projects have been approved at a cost of £62 million. Examples of British aid include:

- the funding of forestry management experts in Nigeria and Cameroon;
- a £25 million project for the conservation of the Western Ghats Forest in India;
- a forestry programme in Brazil designed to assess the impact of deforestation on climate; and
- support for the Food and Agriculture Organisation's Tropical Forest Action Programme, which helps developing countries review forest policies and co-ordinates aid.

Britain supports the World Bank's forest policy under which it no longer finances projects involving logging in primary tropical rainforest.

Other environmental research supported by Britain includes:

- projects on safe drinking water and the environmental effects of irrigation systems;
- research by the British Geological Survey on groundwater and mineral resources; and

- research by the Transport Research Laboratory on the design and maintenance of roads, urban transport planning, road safety and the environmental aspects of transport.

The Private Sector

British aid aims to help remove obstacles faced by small-scale enterprises. In order to improve the policy climate for private business, assistance is given on tax administration and planning of privatisation of state enterprises. Britain has identified six countries in which to promote small-scale enterprises. It has undertaken preparatory work for a small enterprise programme in Kenya, and in Zimbabwe co-operation has begun with the Indigenous Business Development Centre on small business advisory services.

The ODA continues its long-standing support for the Commonwealth Development Corporation (CDC), which promotes economic development by providing loans, equity funds and management services for financially viable investments in agriculture, fisheries, minerals, industry, public utilities, transport, communications and housing. In 1991 the CDC invested just over £173 million in 105 projects in 32 countries. By the end of 1991, it had investments and commitments worth nearly £1,331 million in some 310 projects, including

- £530.1 million in Africa;
- £435.6 million in Asia;
- £236.6 million in the Caribbean and Latin America;
- £121.9 million in Pacific Islands; and
- £6.7 million in other areas.

Emergency Relief

The ODA's Disaster and Refugee Units co-ordinate the British Government's response to natural and man-made disasters worldwide. They also provide relief to refugees and displaced people. In addition, the ODA funds operations carried out by agencies such as the British Red Cross, Oxfam and Save the Children.

The ODA has the capacity to mount direct relief operations overseas, in co-operation with the key international agencies; trained personnel are available to assess need, to co-ordinate the British effort on the ground and to deploy disaster relief teams.

In 1991 the UN General Assembly approved a joint British-German proposal for a high-level UN official to be given responsibility for directing prompt responses to emergencies and for co-ordinating UN appeals.

British humanitarian assistance in 1990-91 amounted to £156 million. Since the beginning of 1992 Britain has contributed £24 million to help starving people in Somalia. British aid for drought relief in southern Africa exceeds £48 million.

Aid Management

Ministers agree an aid strategy each year which establishes priorities and enables the ODA to calculate budgets for individual

countries and programmes, looking ahead over the next three years.

Before funds are committed, projects are examined to ensure that aid resources will be used effectively. ODA professional advisers assist in this process. Before being approved, projects are appraised to ensure that:

- the design is appropriate;
- every possible environmental problem is foreseen; and
- the project can be sustained after aid funding ceases.

In addition, checks are made on the benefits and sustainability of the project and whether any groups will be harmed.

Implementation of aid-financed projects is monitored in order to ensure that it proceeds to plan. The ODA also considers whether the planned scope and objectives of the project remain valid or should be changed.

A project completion report is made to assess the effectiveness of its implementation and to see whether any lessons can be drawn.

4 Defence

The primary objectives of Britain's defence policy are to ensure the country's security, to preserve peace with freedom, and to enable it to pursue its legitimate interests both within Britain and overseas. Britain's policy is based on membership of the North Atlantic Treaty Organisation (NATO), a defensive alliance whose collective strength continues to provide each of its members¹ with far greater security than any could achieve alone. Despite the radical changes in recent years in Europe's security environment, Britain believes that its security can best be protected by the continuing maintenance of collective defence with its NATO allies.

Changes in Europe

There have been important political and military developments in Europe during the past few years, including:

- the Maastricht Treaty on European Union, agreed by European Community states in December 1991, which includes the establishment of a common foreign and security policy;
- the development of the Western European Union (WEU)² as the defence arm of the European Union and the principal European forum for co-operation and consultation on defence issues for all NATO European members;
- the creation of the consultative North Atlantic Co-operation Council, made up of NATO members, the five Eastern and Central European countries of the former Warsaw Pact, the three Baltic states and the republics of the former Soviet Union; and

¹ NATO's 16 member countries are Belgium, Britain, Canada, Denmark, France, Germany, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Turkey and the United States.

² WEU members are Belgium, Britain, France, Germany, Italy, Luxembourg, the Netherlands, Portugal and Spain.

- agreements on arms controls, including substantial reductions of nuclear and conventional weapons.

Britain and its NATO partners are readjusting their military structure and strategy to the new security position arising from these changes. Britain believes that the Atlantic Alliance is still needed to provide continuing stability and security during a period of great political uncertainty in Europe. NATO also provides the most effective forum for transatlantic political co-operation and consultation on security and arms control.

NATO Policy

At a summit in London in July 1990, NATO leaders agreed that the basis for Alliance strategy should be three principles: dialogue, co-operation, and the maintenance of collective defence. At a later summit in November 1991, a new strategy called Strategic Concept was adopted, in which Britain and its allies acknowledged that the threat of a full-scale attack on all NATO's European fronts has been removed. At the same time, there are other possible risks—notably, ethnic rivalries and territorial disputes—which could involve outside powers or spill over into NATO countries. Also, account has to be taken of a substantial nuclear arsenal held in the republics of the former Soviet Union; Russia, in particular, remains the largest military power in Europe. There are other dangers outside Europe, where developing states have modern weapons of mass destruction that could reach NATO territory.

The Alliance has to continue:

- to serve as a principal foundation for security in Europe;

- to deter aggression and defend member states;
- to act as a forum for transatlantic consultations on security; and
- to preserve the strategic balance in Europe, by seeking to enhance security and stability at the lowest possible level of forces.

The Alliance's strategy will continue to be based on the principle that any aggression will be met with the minimum force, including the use of nuclear forces, needed to restore territorial integrity.

NATO Structure

The allies' strategy will also require the deployment of smaller forces in forward areas, especially in the central region of Europe. These forces will be more flexible in order to meet the wider variety of possible threats, and will become more multinational to underline Alliance solidarity in a crisis. The new structure will include:

- reaction forces, ready at short notice to respond to crises and, if necessary, contribute to initial defence;
- main defence forces, providing the majority of units to defend the territorial integrity of the Alliance; and
- augmentation forces to provide reinforcements as required.

The reaction forces will be subdivided into smaller, immediate reaction forces, and more capable rapid reaction forces. The latter, which will include a substantial number of British troops and be under a British command, is planned to be fully operational by 1995. The maritime reaction forces, based on the existing standing naval forces for the Atlantic and the Mediterranean, will be ready by 1995, as will the multinational air element. Britain will contribute to both.

Britain's Defence for the 1990s

Britain's defence policy for the 1990s is defined in terms of three overlapping roles:

- to ensure the protection and security of Britain and its dependent territories, even when there is no major external threat;
- to ensure against any major external threat to Britain and its allies; and
- to contribute to promoting Britain's wider security interests through the maintenance of international peace and security.

Britain's Security

The ultimate guarantee of British security will continue to be the Royal Navy's independent nuclear deterrent and a reduced sub-strategic nuclear force, provided by dual-capable aircraft. The Polaris fleet will be replaced from the mid-1990s by Trident missile submarines, which will give Britain the flexibility and capability to ensure its deterrent needs well into the next century. The number of Royal Air Force (RAF) nuclear-capable Tornado squadrons is being reduced from 11 to eight squadrons (with four based in Germany). A Buccaneer dual-capable squadron will be withdrawn by 1994, following Britain's decision to give up its missile and artillery nuclear roles, as well as its maritime tactical nuclear weapons; free-fall nuclear bombs will be more than halved in number.

Protection of Britain

The air defence of Britain will be undertaken primarily by seven squadrons of all-weather Tornado F3 aircraft, supplemented by 50 Hawk fighters. Airborne early warning (AEW) will be the task of a squadron of Boeing Sentry aircraft. The RAF Regiment will continue ground-based air defence for the main RAF bases. Type 42 destroyers also contribute to maritime air defence. From the end of the decade the European Fighter Aircraft will play an increasing role in air defence.

With the changing risks to Britain's security, including an increase in warning time of conflict in Europe, the Territorial Army (TA) is able to take on greater responsibility for the direct defence of Britain. The Home Service Force, formed in 1985 to guard key points, is being absorbed

within the TA. The number of regular battalions earmarked for the defence of Britain is being reduced from 21 to 15 by the mid-1990s.

Northern Ireland

The armed forces continue to support the Royal Ulster Constabulary (RUC) in the fight against terrorism in Northern Ireland. The Army provides a basic strength of ten regular units and 6,000 local soldiers which are part of the regular Army's Royal Irish Rangers. The Royal Navy, which carries out patrols to prevent arms smuggling, and the RAF also make substantial contributions; the Royal Marines support the Army and Navy.

Defence of British Dependent Territories

Britain continues to maintain garrisons in Hong Kong, the Falkland Islands and Gibraltar. In Hong Kong, Britain is to reduce the garrison in stages until 1997, when the territory will become part of China. Gibraltar provides headquarters and communications facilities for NATO in the Western Mediterranean, while a garrison is maintained in Cyprus.

Defence of Britain and its Allies

This role is discharged through the collective security provided by the Atlantic Alliance.

Defence of Europe

The British Army's main contribution to the defence of mainland Europe will be some 55,000 regular soldiers, assigned to the new Allied Command Europe Rapid Reaction Corps. This will involve an armoured division based in Germany and a more lightly equipped division based in Britain, together with an airmobile brigade, the permanent commander for the Corps, and a contribution to the headquarters infrastructure and combat support. On mobilisation the British contribution will be increased by a further 35,000 TA troops.

Britain will also have a reduced brigade in Berlin until the end of 1994, when the last troops from the former Soviet Union will leave the eastern part of Germany.

The number of regular Army personnel based in Europe in peacetime will be reduced from some 56,600 in April 1991 to about 23,000 in the mid-1990s.

RAF Germany will be reduced to four Tornado GR1 strike/attack aircraft squadrons, two squadrons of Harrier GR5/7 offensive support aircraft and a squadron of Chinook and Puma helicopters; two Phantom air defence squadrons have already been disbanded, while the number of RAF bases in Germany is also being reduced from four to two. From 1994 the front-line air forces based in Britain available for deployment in the NATO area will include two Tornado GR1a reconnaissance squadrons, three Jaguar squadrons and one Harrier squadron; aircraft from these units will form the British air component of NATO reaction forces. Two Tornado GR1 anti-ship squadrons will have a secondary role for strike/attack.

The RAF Air Transport forces will continue to provide support to reinforce Europe. Air-to-air refuelling requirements will be met by Tristar and VC10 aircraft.

The Royal Navy will retain a substantial amphibious force including Royal Marines. Britain's Amphibious Force, together with its Dutch counterpart, is assigned to NATO as part of NATO's rapid reaction forces.

Maritime Defence

Britain has the largest European NATO navy, with key roles in the defence of Britain, in support of NATO and in activities outside the NATO area.

In addition to its four Trident submarines, which are replacing the Polaris submarines from the mid-1990s, the Royal Navy will also operate 12 nuclear-powered and four conventional submarines. Three anti-submarine warfare (ASW) carriers will be maintained, carrying Sea Harrier aircraft and Sea King helicopters. A modernised Sea Harrier (FRS2) aircraft and EH101 ASW helicopters are being developed to join the Navy's anti-submarine and anti-surface forces of about 40 destroyers and frigates, and Nimrod maritime patrol aircraft.

Europe and the Alliance

Britain's contribution to NATO is part of the wider effort which the European allies make to Alliance defence.

Britain and its European allies play a full part in the Independent European Programme Group, which promotes arms co-operation among European allies, and in the Conference of National Armaments Directors, the forum for defence equipment collaboration across the Atlantic. They also work together in the Eurogroup to improve their contributions to the Alliance and to achieve better use of available resources. In addition, the WEU is providing further impetus towards European defence and security co-operation. The WEU helped to co-ordinate contributions by member countries in mine clearance operations in the Gulf during the Iran–Iraq war in the late 1980s; in 1990–91 WEU members co-ordinated their participation in the multinational campaign in the Gulf to force Iraq to withdraw from Kuwait, which it invaded in 1990.³

Britain believes that NATO needs a strong European pillar and wants to see the WEU built up as an effective bridge between NATO's defence structures and the developing political and security policies of the European Community (EC) states. In December 1991 the EC agreed to develop the WEU as a means of safeguarding European security, while in June 1992 the WEU countries agreed to help in implementing conflict-prevention and crisis measures, including peacekeeping activities in Europe.

Britain's Wider Security Interests

The promotion of Britain's wider security interests is achieved by military assistance and training, deployments and exercises, and support for peacekeeping and other operations.

In the Middle East, Britain retains the ARMILLA patrol of two destroyers or

frigates, with appropriate support, to provide confidence for British shipping in the Gulf and to demonstrate Britain's continuing commitment to the region.

Garrisons are maintained in Belize and Brunei at the request of the governments there. Naval deployments also take place outside Europe in support of Britain's security interests, including a major task group led by the ASW carrier, HMS *Invincible*, visiting countries in the Indian and Pacific oceans during 1992. These deployments provide an opportunity to develop relations with countries and to exercise with their navies.

British military assistance includes training for a number of Gulf countries, Angola, Namibia and Nigeria. During 1990–91 nearly 4,100 students from 88 countries attended military training courses in Britain. More than 450 servicemen were on loan to 30 states during April 1992.

Britain supports the United Nations in its efforts to resolve security problems worldwide. It provides the largest national troop contingent to the United Nations Force in Cyprus, as well as participating in peacekeeping and monitoring forces in Western Sahara, Cambodia, former Yugoslavia, and on the Iraq–Kuwait border.

The Armed Forces

Personnel

In April 1992 the strength of the regular armed forces, all volunteers, was about 293,400: 62,100 in the Royal Navy and the Royal Marines, 145,400 in the Army and 86,000 in the RAF. The Ministry of Defence employed 139,500 civilians (based in Britain) at the same date.

The 19,600 female personnel in the nursing and women's services (4,600 in the Royal Navy, 7,800 in the Army and 7,300 in the RAF) serve in Britain and overseas.

The new changes will mean a reduction of 20 per cent in the strength of the armed

³ In 1992 the WEU and NATO began to co-ordinate naval forces in monitoring United Nations sanctions on Serbia and Montenegro.

forces to around 55,000 in the Royal Navy and the Royal Marines; 116,000 in the Army; and 75,000 in the RAF. The number of headquarters staff and civilian personnel employed by the Ministry of Defence will be similarly reduced.

Commissioned Ranks

Commissions, either by promotion from the ranks or by direct entry based on educational and other qualifications, are granted for short, medium and long terms. All three Services have schemes for school, university and college sponsorships.

Commissioned ranks receive initial training at the Britannia Royal Naval College, Dartmouth; the Royal Military Academy, Sandhurst; or the Royal Air Force College, Cranwell. This is followed by specialist training, often including degree courses at Service establishments or universities.

Higher training for officers is provided by the Royal Naval College, Greenwich; the Army Staff College at Camberley; and the Royal Air Force Staff College at Bracknell. Selected senior officers and civilian officials from Britain attend the Joint Services Defence College, Greenwich, and the Royal College of Defence Studies, London, which is also attended by officers and officials from other countries. These provide the wider background necessary for those destined to fill higher appointments.

Non-commissioned Ranks

Engagements for non-commissioned ranks range from three to 22 years, with a wide choice of length and terms of service. Subject to a minimum period of service, entrants may leave at any time, at 18 months' notice (12 months for certain engagements). Discharge may also be granted on compassionate grounds, by purchase, or on grounds of conscience.

Throughout their Service careers non-commissioned personnel receive basic training supplemented by specialist training. Study for educational qualifications is encouraged and Service trade and technical training lead to nationally recognised qualifications.

Reserve Forces

Trained reserve and auxiliary forces supplement the regular forces on mobilisation and are able immediately to take their places either as formed units or as individual reinforcements. They are also a link between the Services and the civil community. Some members of these forces become reservists following a period of regular service (regular reserve); others are volunteers who train in their spare time. Volunteer reserve forces include the TA, which is responsible for the direct defence of Britain as well as providing a flexible general reserve.

Other volunteer forces include the Royal Naval and Royal Marines Reserves, the Royal Naval Auxiliary Service, the Royal Auxiliary Air Force and the Royal Air Force Volunteer Reserve.

In April 1992 regular reserves totalled 260,800 and volunteer reserves and auxiliary forces 88,300. Cadet forces, which make a significant contribution to recruitment to the regular forces, numbered 135,300.

Combat Forces

Strategic Nuclear Forces

The Royal Navy's Polaris force comprises four nuclear submarines, each of which can remain on underwater patrol for long periods and is capable of carrying 16 nuclear-armed Polaris missiles. The missile system, incorporating improvements designed to penetrate anti-ballistic missile defences, will maintain the force's effectiveness until it is replaced from the mid-1990s by four Trident nuclear submarines.

The Trident programme, which will cost an estimated £10,518 million, is expected to account on average for less than 3 per cent of the defence budget (and less than 6 per cent of the equipment budget) during its procurement period. It is also estimated that about 70 per cent of the money will be spent in Britain. Three of the submarines designed to carry Trident missiles are under construction; the order for the fourth was announced in July 1992.

Royal Navy Combat Forces

Britain's naval forces, while capable of operating throughout the world when required, are concentrated in the Eastern Atlantic and in the Channel, where they constitute the majority of naval forces immediately available to NATO. Their primary role is anti-submarine warfare. The Royal Navy includes:

- three Invincible-class ASW carriers, deploying Sea King anti-submarine and airborne early warning helicopters, Sea Harrier aircraft, and Sea Dart air defence missiles;
- 13 nuclear-powered attack submarines (with another one on order), equipped with torpedoes and anti-ship missiles; and
- seven diesel-electric-powered submarines, including the more powerful Upholder class, the first three of which have entered service.

The Royal Navy also has 47 destroyers and frigates (including the first four of the new Type 23 frigate) for air defence, anti-submarine and general purpose duties. These are to be reduced to about 40. Most have weapon-carrying helicopters, and their armaments include surface-to-surface, air defence, and anti-ship missiles. There are also Royal Marines forces, specialist amphibious shipping and supporting vessels. Other ships include mine counter-measures vessels, and patrol vessels for protecting fishing interests and oil and gas rigs.

In future Britain's contribution to NATO's maritime defence will be made up of nuclear-powered attack submarines and advanced diesel-electric conventional submarines; the Type 23 frigate (of which four are in service and nine under construction or on order); and Nimrod maritime patrol aircraft, equipped with Searchwater radar and armed with Harpoon anti-ship missiles and Stingray anti-submarine torpedoes. In addition, the surface fleet has been strengthened by 14 multi-role Type 22 frigates and by the new Sandown class of minehunter. A new class of frigate is planned to replace the Type 42 destroyer at the end of the century.

New or improved weapons will include the Harpoon missile for the last four Type 22 and for the new Type 23 frigates, the Sea Eagle anti-ship missile, Goalkeeper rapid firing guns, and, for submarines, the Spearfish torpedo. The Sea Wolf and Sea Dart air defence missiles are also being developed or improved. The Type 23 frigate, to be armed with the ship- or air-launched Stingray torpedo and the Sea Wolf missile, will also have the EH101 helicopter when that enters service later in the decade. The Sea Harriers are being updated, as is the Lynx Mk 3 helicopter.

Army Combat Forces

The three armoured divisions deployed in Germany, equipped with Chieftain and the more modern Challenger 1 tanks, will be replaced from the mid-1990s by one armoured division armed with the new Challenger 2 and an improved Challenger 1. This division, and a more lightly-equipped division based in Britain, will be assigned to the Rapid Reaction Corps. The mobility and fire power of the armoured infantry are being enhanced by the Warrior mechanised infantry combat vehicle. Deployment also continues of the SA80 rifle and the light anti-tank weapon LAW80, which have markedly improved the infantry's fire power.

The Army's anti-tank arsenal is being increased by the multiple launch rocket system, which can scatter anti-tank mines at long range. A new attack helicopter will be ordered for the Army, while improvements are being made to the Lynx anti-tank helicopter, more of which are being acquired. The delivery of a new 155mm self-propelled howitzer is planned for 1992-93.

Major improvements to the Army's air defences are planned, including the introduction of the Starstreak missile, advanced Rapier missiles and a new air defence command and control system.

Royal Air Force

Following the withdrawal from service of Phantom aircraft by mid-1993, seven squadrons of Tornado F3 aircraft—together

with Rapiere surface-to-air missiles and Oerlikon guns directed by Skyguard radar—will provide Britain's air defence. They will be assisted by seven Boeing AEW aircraft which began operations in 1991–92, and the ground radars and communication systems of the improved United Kingdom Air Defence Ground Environment. In addition, a number of Hawk trainer aircraft have been equipped with air-to-air missiles and cannon for local air defence. The strike/attack fleet is equipped with the Tornado GR1; a variant of this aircraft is replacing some Jaguars to provide reconnaissance. Close air support for ground troops is provided by the Harrier GR5/7 and Jaguar aircraft.

Nimrod maritime aircraft form part of Britain's anti-submarine warfare force, and also undertake long-range surveillance operations against surface ships, as well as providing offshore surveillance and fishery protection. Two squadrons of maritime strike Buccaneer aircraft will be replaced by Tornado GR1s armed with Sea Eagle missiles.

TriStar and VC10 aircraft are used as tankers for in-flight refuelling. Tactical transport is provided by VC10 and Hercules aircraft, while Chinook, Puma and Wessex helicopters provide tactical support to ground forces. Sea King and Wessex helicopters perform search and rescue duties around the British Isles. Weapons in service include Skyflash, Sparrow, Sidewinder, Martel and Sea Eagle missiles, and guided and cluster bombs.

Improvements to Britain's air defence include the modernisation of the Tornado F3 radar, better communications and control systems and the introduction of the Boeing AEW aircraft. The ability of the Tornado GR1 to attack at night will be enhanced; the new Harrier GR5 is also being upgraded to a night-attack version, GR7, the first squadron of which became operational in 1991. New Harrier T10 two-seat trainers are also being bought. All strike/attack and offensive support aircraft will be fitted with advanced electronic warfare equipment to increase their ability to survive. The Tornado GR1, already equipped with the British JP233 airfield attack weapon, will

have the ALARM anti-radiation missile. An advanced short-range missile is to be developed for the Harrier. Air-to-air refuelling capacity is being increased by converting more VC10 aircraft into tankers. The Chinook helicopter fleet is being modernised.

Finance and Management

The defence budget for 1991–92 is £24,557 million. Britain devoted 4.2 per cent of gross domestic product to defence expenditure in 1991, compared with 5.6 per cent being spent by Greece, 5.5 per cent by the United States, 4.8 per cent by Turkey and 3.5 per cent by France.

Increased competition in the letting of contracts has improved both quality and value for money. The purchase of equipment is estimated to account for about 37 per cent of Britain's defence expenditure in 1992–93.

Organisation and Management

Within the Ministry of Defence a military-civilian Defence Staff is responsible for defence policy and strategy, operational requirements and commitments. An Office of Management and Budget handles budgets and resources. Each Service Chief of Staff reports through the Chief of Defence Staff to the Defence Secretary on matters related to the fighting effectiveness, management, efficiency and morale of his Service. The management of the three services is exercised through executive committees of the Service Boards, which are chaired by their respective Chiefs of Staff and act in accordance with centrally determined policy objectives and budgets. The Procurement Executive deals with the purchase of equipment, including equipment collaboration with allies and friendly nations.

Under a new system of budgeting, military and civilian managers have greater discretion in the most efficient use of their allocated resources. This new approach aims to promote better value for money, and to provide clear direction for local managers.

Defence Procurement

About £10,298 million is being spent on defence equipment in 1992-93, making the Ministry of Defence British industry's largest customer. Contracts are awarded by open international competition where possible, and strict guidelines ensure companies are given the maximum incentive to perform efficiently.

Research and Development

Research is undertaken by the Ministry's research establishments and under contract in industry and the universities.

Nearly all design and development of defence equipment is carried out by industry. The Ministry seeks to involve industry in the research programme and to promote civil applications. As part of the Government's policy of improving the strength of Britain's science base, the Ministry, together with the research councils, makes joint grants to academic institutions in areas of research relevant to defence. In order to obtain better value for money, the Ministry's main non-nuclear research and development establishments were combined into the Defence Research Agency, which began operating in 1991. Another research organisation—the Chemical and Biological Defence Establishment—was launched as a Defence Support Agency in 1991.

Around £474 million is expected to be spent on defence research and £2,380 million on development in 1992-93.

Alliance Co-operation

International co-operation has been a feature of armaments procurement for over 20 years, and Britain was one of its pioneers in programmes such as the British-French Jaguar aircraft and the Lynx, Puma and Gazelle helicopters; the FH70 towed howitzer developed jointly with Germany and Italy; and the successful Tornado aircraft developed and produced with the same two partners. Britain also worked with the United States on the Harrier GR5.

In order to make better use of limited resources, Britain plays an active role in

NATO's Conference of National Armaments Directors, and the Independent European Programme Group. In the latter, ten member countries are following Britain and France in publishing bulletins of contract opportunities, so helping to open up the European defence equipment market.

Major new collaborative programmes under way include:

- the EH101 helicopter (with Italy);
- the new European Fighter Aircraft (with Italy and Spain);
- anti-aircraft missiles (with France and Italy); and
- anti-tank guided weapons (with France and Germany).

Civil Defence

Civil defence arrangements are based on the extended and adapted use of the peacetime resources of government departments, local authorities, emergency services and nationalised industries, supplemented by the efforts of voluntary organisations and individual volunteers. Civil defence regulations require local government authorities to make and keep up-to-date plans for a range of essential functions in the event of war; to arrange training and exercises for civil defence staff and volunteers; and to provide suitable emergency centres for the direction of civil defence in wartime. Following legislation in 1986, local authorities may use their civil defence resources in responding to peacetime emergencies.

Expenditure on civil defence has been growing steadily and was about £129 million in 1990-91. This is being used to:

- improve the quality and readiness of central and local government planning;
- increase training opportunities arranged by the Home Office;
- help local authorities to plan for better community involvement in civil defence; and
- improve the emergency system for decentralised government control and communications.

5 Justice and the Law

England and Wales, Scotland and Northern Ireland all have their own legal systems, with considerable differences in law, organisation and practice. However, a large volume of modern legislation applies throughout Britain.

The main sources of law are government legislation, common law and European Community law. Common law is the ancient law of the land deduced from custom and interpreted by judges; it has never been precisely defined or codified but forms the basis of the law except when superseded by legislation. European Community law is confined mainly to economic and social matters; in certain circumstances it takes precedence over domestic law. It is normally applied by the domestic courts, but the most authoritative rulings are given by the Community's Court of Justice.

Changes to United Kingdom law have been made following rulings of the European Court of Human Rights. These arose where domestic law was in breach of the Council of Europe's Convention for the Protection of Human Rights and Fundamental Freedoms, to which Britain is a party.

Criminal Justice

The aims of the criminal justice system are:

- to prevent and reduce crime where possible;
- to help victims;
- to deal fairly, justly and without delay with those suspected, accused or convicted of offences;
- to convict the guilty and acquit the innocent; and
- to punish suitably those found guilty.

Royal Commission

In the light of cases of miscarriage of justice, which the Government acknowledges as a cause for concern, a Royal Commission is currently examining the effectiveness of the criminal justice system in England and Wales. One of the main aims of the review, which will report in 1993, is to minimise as far as possible the likelihood of such miscarriages happening again.

Crime Statistics

Differences in the legal systems, police recording practices and statistical classifications in the countries of Britain make it impracticable to analyse in detail trends in crime for the country as a whole. Nevertheless, it is clear that, as in Western Europe generally, there has been a substantial increase in crime since the early 1950s. However, annual official statistics cover only crime recorded by the police (Table 5.1) and can be affected by changes in the proportion of crimes which are undiscovered or unreported.

The Scottish police recorded 593,000 crimes in 1991, of which 184,400 were cleared up. In Northern Ireland about 63,500 crimes were recorded, of which almost 20,700 were cleared up. Crime tends to be concentrated in inner cities and deprived areas; the risk of burglary in inner city areas is about twice as high as the national average. Rising affluence has provided more opportunities for casual property crime. In 1957, for example, car crime was only one-tenth of total crime but this has risen to about a third.

Most crime is committed by young males, is opportunist and is not planned by hardened professional criminals, although these do exist. Only a small proportion of young male offenders go on to become serious repeat offenders.

Crime Prevention

National publicity campaigns, such as 'Crime Prevention Week' in 1991 and the 'Car Crime Prevention Year' campaign during 1992, are a regular feature of the Government's programmes. The Home Office's Crime Prevention Unit encourages local agencies to design and implement preventive measures and to assess the results. Other government departments are brought together with the Home Office to formulate crime prevention strategies. The Department of the Environment's programmes are designed to encourage improvements in the design, layout and management of housing estates.

Local crime prevention panels—each one assisted by the police—identify crime problems and try to tackle them through publicity, marking goods and equipment, and fund-raising to buy security devices. The police have been closely involved in setting up 92,000 neighbourhood watch schemes in England and Wales. There are some 2,000 watch schemes in Scotland.

Crime Concern, a national independent organisation, encourages local initiatives and business participation in crime prevention.

In 1986 five local projects were set up

with government support to see how crime and the fear of crime could be reduced through action by local government, private businesses, the police and voluntary agencies. As part of the Government's Safer Cities projects, this model has been adapted for use in 20 inner city areas in England and Wales. Each project is led by a committee, drawn from local agencies and supported by a co-ordinator funded by the Home Office. There is a Safer Cities programme in Scotland and similar projects are being funded by the Government in Northern Ireland.

Helping the Victim

Consideration is given to the needs of victims of crime. There are, for instance, more than 375 victim support schemes, covering 97 per cent of the population in England and Wales, with over 7,000 volunteer visitors. They are co-ordinated by a national organisation, Victim Support, which receives a government grant. The Government also finances local schemes to meet either the salaries of co-ordinators or running costs. Victim Support is also established in Northern Ireland, and a similar scheme operates in Scotland.

In 1990 the Government published its *Victims' Charter*, setting out for the first time the standards of service that victims of crime should expect from criminal justice agencies.

Innocent victims of violent crime in England, Wales and Scotland, including foreign nationals, may be eligible for compensation under the Criminal Injuries Compensation Scheme. Compensation is

Table 5.1: Notifiable Crimes Recorded by the Police^a in England and Wales 1991

Offence group	Crimes recorded	Crimes cleared up
Violence against the person	190,339	147,102
Sexual offences	29,423	22,356
Burglary	1,219,464	285,823
Robbery	45,323	10,617
Theft and handling stolen goods	2,761,119	763,350
Fraud and forgery	174,742	96,967
Criminal damage	620,311	120,047
Other	34,622	33,228
Total	5,075,343	1,479,490

Source: Home Office.

^a Excludes criminal damage of £20 and under.

based on common law damages and is a lump-sum payment. In Northern Ireland there is separate, statutory provision in certain circumstances for compensation to be paid from public funds for criminal injuries, and for malicious damage to property, including the resulting loss of profits.

In 1990 Britain ratified a European Convention under which mutual arrangements for compensation apply to citizens of those countries in which the Convention is in force.

Strengthening the Law

Measures to strengthen the criminal justice system have been taken in recent years. The courts now have powers to trace, freeze and confiscate the proceeds of drug trafficking. A court can issue an order requiring the offender to pay an amount equal to the full value of the proceeds arising from the trafficking. The laundering of illegal money associated with trafficking is unlawful. Because of the international nature of the problem, restraint and confiscation orders made by courts can be enforced against assets held overseas, and vice versa. These arrangements apply to countries with which mutual enforcement agreements have been concluded. A Government fund—financed from the proceeds of drug trafficking seized under international confiscation agreements—assists international drug investigations and projects directed against misuse of drugs.

A court may also make a confiscation order against the proceeds arising from offences such as robbery, fraud, blackmail and insider dealing in shares.

A law has been passed to increase controls on firearms. The private ownership of certain highly dangerous types of weapon such as high-powered self-loading rifles and burst-fire weapons is banned. The police license the possession of firearms and have increased powers to regulate their safekeeping and movement. Similar legislation applies in Northern Ireland. The Government has proposed that responsibility for firearms licensing in England, Wales and Scotland should pass from the police to a national civilian control board.

It is unlawful to manufacture, sell or import weapons such as knuckledusters or, in England and Wales, to carry a knife in a public place without good reason.

The Criminal Justice Act 1991 has made a number of reforms on the early release of prisoners (see p 104).

Measures to Combat Terrorism

The Government has certain exceptional powers for dealing with and preventing terrorist activities. These take account of the need to achieve a proper balance between the safety of the public and the rights of the individual.

Northern Ireland

The security forces in Northern Ireland have special powers to search, question and arrest. The maximum period for which the police can hold a suspected terrorist on their own authority has been reduced from 72 to 48 hours, although he or she can be held for up to a further five days with the consent of the Secretary of State. Legislation allows terrorist organisations to be banned by the Government. Terrorist offences which are tried on indictment are heard and dealt with in the Crown Court by a single judge sitting alone without a jury largely because of the possibility of jurors being intimidated by terrorist organisations.

Nobody can be imprisoned for political beliefs. All prisoners, except those awaiting trial, have been found guilty in court of criminal offences. The legislation is reviewed annually by an independent person whose reports are presented to Parliament, which has to renew the legislation each year.

Other Legislation

Other legislation applies throughout Britain and is renewable annually by Parliament. It provides for the exclusion from Great Britain, Northern Ireland or the United Kingdom of people connected with terrorism related to Northern Ireland affairs and for the banning of terrorist organisations in Great Britain. It

also gives the police powers to arrest suspects without warrant and hold them for 48 hours and, with ministerial approval, for up to a further five days. This provision also applies to suspected international terrorists.

It is a criminal offence to finance terrorism or receive funds for use in the furtherance of terrorism. Police can apply for a court order to freeze a suspect's assets once he or she has been charged. Funds can be confiscated if a person is convicted. The legislation allows for reciprocal enforcement agreements with other countries.

The Government believes that there should be no concessions to terrorist demands and that international co-operation is essential in tracking down terrorists and impeding their movement from one country to another.

THE POLICE SERVICE

Organisation

There are 52 police forces in Britain, mainly organised on a local basis. The Metropolitan Police Force and the City of London force are responsible for policing London. At the end of 1991 police strength in Britain was about 150,000, of which the Royal Ulster Constabulary numbered over 8,200. Each force has an attachment of volunteer special constables who perform police duties in their spare time, without pay, acting mainly as auxiliaries to the regular force. In Northern Ireland there is a 4,600-strong part-time and full-time paid reserve.

Police forces are maintained in England and Wales by committees of local county councillors and magistrates, and in Scotland by regional and islands councils. The Home Secretary is responsible for London's Metropolitan Police Force. In Northern Ireland the police force is responsible to a body appointed by the Government. The police service is financed by central and local government. Expenditure on the service in 1991-92 was about £6,500 million.

Chief constables are in charge of their police forces and are responsible for the appointment, promotion and discipline of all ranks below assistant chief constable. They

are generally answerable to the police authorities on matters of efficiency, and must submit an annual report. Police authorities appoint the chief constable and other top officers. They also fix the maximum permitted strength of the force, subject to approval by the appropriate Secretary of State, and provide buildings and equipment.

In the Metropolitan Police area the commissioner of police and his immediate subordinates are appointed on the recommendation of the Home Secretary.

A wide-ranging review of the police service was announced by the Government in May 1992 to consider the roles, responsibilities, careers, rank structure and pay arrangements of police officers; it will report to the Home Secretary by the end of May 1993.

Central Authorities

The Home Secretary and the Secretaries of State for Scotland and Northern Ireland approve the appointment of chief, deputy and assistant chief constables. Where necessary they can:

- require a police authority to retire a chief constable in the interests of efficiency;
- call for a report from a chief constable on matters relating to local policing; and
- institute a local inquiry.

These ministers can also make regulations covering:

- qualifications for appointment, promotion and retirement;
- discipline;
- hours of duty, leave, pay and allowances; and
- uniform.

Some of these regulations are first negotiable within the Police Negotiating Board, which consists of an independent chairman and representatives of the police authorities, police staff associations and the home departments.

All police forces (except the Metropolitan Police) are inspected by inspectors of constabulary reporting to central government.

On request, the inspectorate also undertakes inspections of selected parts of the Metropolitan Police.

Members of the police service may not belong to a trade union, nor may they strike in furtherance of a trade dispute. All ranks, however, have their own staff associations to represent their interests.

Co-ordination of Police Operations

Several common services are provided by central government and by arrangements between forces. In England and Wales the most important of these cover telecommunications and central and provincial criminal records. In Scotland the main common services are centralised police training, the Scottish Crime Squad and the Scottish Criminal Record Office.

Certain special services such as liaison with the International Criminal Police Organisation (Interpol) are provided for other British forces by the Metropolitan Police. The National Drugs Intelligence Unit assists police forces and the Customs service throughout Britain. A new National Criminal Intelligence Service has been set up to co-ordinate and analyse intelligence; it is bringing together a number of units, including the National Drugs Intelligence Unit and the Interpol Bureau.

The services of the Fraud Squad, which is run jointly by the Metropolitan Police and City of London Police to investigate company frauds, are available in England and Wales.

Regional crime squads, co-ordinated at national level in England and Wales, deal with serious crimes, such as drug trafficking, and are used when operations cannot be dealt with by individual police forces alone.

In all areas of police work the use of scientific aids is widespread. A national police computer helps to rationalise records and speed up the supply of information.

Police Discipline

A police officer may be sued or prosecuted for any wrongful act committed when carrying out duties. Police discipline codes are designed to prevent any abuse of police

powers and to maintain public confidence in the impartiality of the service.

The independent Police Complaints Authority has powers to supervise the investigation of any serious complaint against a police officer in England and Wales. In Scotland complaints against police officers involving allegations of any form of criminal conduct are investigated by an independent procurator fiscal service.

In Northern Ireland the Independent Commission for Police Complaints is required to supervise the investigation of a complaint regarding death or serious injury and has the power to supervise that of any other complaint if it so wishes. In certain circumstances, the Secretary of State may direct the Commission to supervise the investigation of matters that are not the subject of a formal complaint.

Community Relations

Virtually all forces have liaison departments designed to develop closer contact between the force and the community. Almost all areas have police/community consultative groups. Particular efforts are made to develop relations with young people through greater contact with schools. School governing bodies and head teachers are under an obligation to describe in their annual reports the steps they take to strengthen their schools' links with the community, including the police.

Emphasis is placed on improving relations with ethnic minorities. The Government believes that all police officers should receive a thorough training in community and race relations. The Home Office sponsors national courses in these subjects for community liaison officers and police managers. There is also a national specialist support unit which makes a valuable contribution to improving community and race relations training for the police. Discriminatory behaviour by police officers is an offence under the Police Discipline Code. The Home Office organises recruitment advertising campaigns in the press in order to encourage black and Asian recruits to the police. At the end of February 1992 there were 1,631 ethnic minority police officers in England and Wales.

Police Powers

Officers in Great Britain do not normally carry firearms, although in an emergency they can be issued quickly on the authority of a senior officer. In Northern Ireland police officers are issued with firearms for personal protection and other firearms are available for duty purposes.

Under legislation passed in 1985, the Government can authorise interception of postal and telephone services by the police in order to prevent and detect serious crime, or, in some cases, to protect national security. The other ground for interception is the safeguarding of Britain's economic well-being. Any interception outside these procedures is a criminal offence.

A police officer in England and Wales has a general power of stop and search if he or she has reasonable grounds for suspicion that a person is carrying stolen goods, offensive weapons or implements that could be used for theft, burglary and other offences. The officer must, however, state and record the grounds for taking this action and what, if anything, was found.

Arrest

In England and Wales the police have wide powers to arrest suspects with or without a warrant issued by a magistrate. For serious offences, known as 'arrestable offences', a suspect can be arrested without a warrant; this covers all offences for which a maximum period of five years' imprisonment can be imposed on conviction. Arrest without a warrant also applies to people suspected of committing 'serious arrestable offences' such as murder, rape and kidnapping. For lesser offences, arrest without warrant exists only when certain criteria are met, for instance, if it is not possible or appropriate to send out a summons to appear in court.

Detention, Treatment and Questioning

A statutory code of practice issued by the Government regulates detention, treatment and questioning of suspects by the police in England and Wales. Failure to comply with

its provisions can render a police officer liable to disciplinary proceedings. Evidence obtained in breach of the code may be ruled inadmissible in court.

An arrested person has a statutory right to consult a solicitor and to ask the police to notify a relative or other named person likely to take an interest in his or her welfare. Where a person has been arrested in connection with a serious arrestable offence, but has not yet been charged, the police may delay for up to 36 hours the exercise of these rights in the interests of the investigation if certain strict criteria are met.

The police must caution a suspect before questions are put for the purpose of obtaining evidence. The caution informs the suspect that he or she is entitled to refuse to answer questions—the so-called 'right to silence'. Questions relating to an offence may not normally be put to a person after he or she has been charged with that offence or informed that he or she may be prosecuted for it.

The length of time a suspect is held in police custody before charge is strictly regulated. For lesser offences this may not exceed 24 hours. A person suspected of committing a serious arrestable offence can be detained for up to 96 hours without charge but only beyond 36 hours if a warrant is obtained from a magistrates' court. Reviews must be made of a person's detention at regular intervals—six hours after initial detention and thereafter every nine hours as a maximum—to check whether the criteria for detention are still satisfied. If they are not, the person must be released immediately.

The tape recording of interviews with suspected offenders at police stations has become standard practice, and a code of practice governing these tape recordings has been approved by Parliament.

A person who thinks that the grounds for detention are unlawful may apply to the High Court for a writ of habeas corpus against the person who detained him or her, requiring that person to appear before the court to justify the detention. Habeas corpus proceedings take precedence over others. Similar procedures apply in Northern Ireland and a similar remedy is available to anyone who is unlawfully detained in Scotland.

Charging

Once there is sufficient evidence for a charge, the police have to decide whether to charge the person with the offence. As an alternative to charging immediately, they can, for example, decide to defer charging or to take no further action and release the person with or without bail. They may also issue a caution, which is a warning that prosecution is likely for a second offence.

If charged with an offence, a person may be kept in custody if there is a risk that he or she might fail to appear in court or might interfere with the administration of justice. A young person may also be detained for his or her protection. When no such considerations apply, the person must be released on or without police bail. Where someone is detained after charge, he or she is brought before a magistrates' court, usually no later than the next working day.

Scotland

In Scotland the police may detain and question a suspected person for a period of up to six hours. After this period the person must either be released or charged. Once a person has been charged with a criminal offence, only voluntary statements will normally be allowed in evidence at the trial. The court will reject statements unless satisfied that they have been fairly obtained. In many areas interviews with suspects in police stations are tape recorded. Anyone arrested must be brought before a court with the least possible delay (generally not later than the first day after being taken into custody), or—in less serious cases—liberated by the police, often on a written undertaking to attend court.

Where an accusation of a more serious offence is to be made, the accused is brought before the sheriff in private to be committed, either for further examination or until liberated in due course of law. A judicial examination by the procurator fiscal may take place. A maximum of eight days may elapse between committal for further examination and committal for trial.

Awaiting Trial

There are time limits on the period a defendant may be remanded in custody awaiting trial in England and Wales. In cases tried before a magistrates' court these are 56 days from first appearance to trial or 70 days between first appearance to committal for trial (see p 98) in the Crown Court. The limit in Crown Court cases is 112 days from committal to taking of the plea. When a time limit expires, the defendant is entitled to bail. The court extends the limit if it is satisfied that there is a good and sufficient reason, and that the prosecution has acted expeditiously.

Bail

Most accused people are released on bail while awaiting trial. They are not remanded in custody except where strictly necessary. In England and Wales, the court decides whether a defendant should be released on bail. Unconditional bail may only be withheld if the court has substantial grounds for believing that the accused would:

- abscond;
- commit an offence;
- interfere with witnesses; or
- otherwise obstruct the course of justice.

A court may also impose conditions before granting bail. If bail is refused, the defendant may apply to a High Court judge or to the Crown Court for bail. An application can also be made to the Crown Court for conditions imposed by a magistrates' court to be varied.

In some cases a court may grant bail to a defendant on condition that he or she lives in an approved bail or probation/bail hostel.

The probation service has developed bail information schemes which provide the Crown Prosecution Service with verified information about a defendant. This assists the Service to decide whether to oppose bail and enables the courts to take an informed decision on whether to grant bail.

The Government announced new measures in February 1992 to reduce the incidence of continued criminal activities by some offenders while on bail.

Scotland

Anyone accused of a crime, except murder or treason, is entitled to apply for release on bail. Even in cases of murder or treason, bail may be granted at the discretion of the Lord Advocate or a quorum of the High Court. There is a right of appeal to the High Court by the accused person against the refusal of bail, or by the prosecutor against the granting of bail, or by either party against the conditions imposed.

If a person charged with a more serious offence has been kept in custody pending trial, the trial must begin within 110 days of the date of full committal. The trial of a person charged with a summary offence and held in custody must begin within 40 days of the date of first appearance in court.

CRIMINAL COURTS**Prosecution***England and Wales*

Once the police have decided to charge someone with an offence, the Crown Prosecution Service (CPS) assumes control of the case, reviews the evidence and then decides whether to prosecute. The CPS is an independent government department headed by the Director of Public Prosecutions (DPP). The DPP is answerable to Parliament through the Attorney General, who is the Government's chief law officer.

The Service is independent of the police. It is divided into 31 areas, each run by a locally-based Chief Crown Prosecutor appointed by the Director. CPS lawyers prosecute in the magistrates' courts while barristers for the Service appear in the Crown Court.

The CPS operates in accordance with the Code for Crown Prosecutors, a public document published annually in the Director's report to the Attorney General. Under the Code, a prosecution should not be started or continued unless the Prosecutor is satisfied that there is

admissible, substantial and reliable evidence that a criminal offence has been committed. Once the Prosecutor is satisfied that the evidence can justify proceedings, he or she must also consider whether the public interest requires proceedings to take place. Cases in which a prosecution is considered to be inappropriate for either of these reasons are discontinued. Although the decision to prosecute is generally delegated to the lawyers in the area offices, some especially sensitive or complex cases are dealt with by the headquarters of the CPS, including terrorist offences and breaches of the Official Secrets Acts.

Scotland

Discharging his duties through the Crown Office and Procurator Fiscal Service, the Lord Advocate is responsible for prosecutions in the High Court of Judiciary, sheriff courts and district courts. There is no general right of private prosecution. The permanent adviser to the Lord Advocate on prosecution matters is the Crown Agent, who is head of the Procurator Fiscal Service and is assisted in the Crown Office by a staff of legally qualified civil servants.

Prosecutions in the High Court of Judiciary are prepared by procurators fiscal and Crown Office officials. They are conducted by the Lord Advocate, the Solicitor General for Scotland (the Lord Advocate's ministerial deputy) and advocates depute, who are collectively known as Crown Counsel.

Crimes tried before the sheriff and district courts are prepared and prosecuted by procurators fiscal. The police and other law enforcement agencies investigate crimes and offences and report to the procurator fiscal, who decides whether to prosecute, subject to the directions of Crown Counsel.

When dealing with minor crime, the procurator fiscal can use alternatives to prosecution, such as formal warnings, diversion to social work and offers of fixed penalties. In the latter case, the offender is not obliged to accept such an offer, but if he or she does the prosecution loses the right to prosecute.

Northern Ireland

The Director of Public Prosecutions for Northern Ireland prosecutes all offences tried on indictment, and may do so in other (summary) cases. Most summary offences are prosecuted by the police.

Prosecutions for Fraud

The Serious Fraud Office investigates and prosecutes the most serious and complex cases of fraud in England, Wales and Northern Ireland. Investigations are conducted by teams of lawyers, accountants, police officers and other specialists. In Scotland the Crown Office Fraud Unit deals with fraud.

Courts

England and Wales

Very serious offences such as murder, manslaughter, rape and robbery are tried on indictment only by the Crown Court, where all contested trials are presided over by a judge sitting with a jury. Summary offences—the least serious offences and the vast majority of criminal cases—are tried by unpaid lay magistrates or by a few paid stipendiary magistrates; both sit without a jury.

A third category of offences (such as theft, burglary or malicious wounding) are known as 'either way' offences. They can be tried either by magistrates or by jury in the Crown Court. Where magistrates consider an 'either way' case to be too serious for them to deal with, they may commit it for trial in the Crown Court. If magistrates are content to deal with the case, the accused has the right to choose trial by magistrates or trial by jury in the Crown Court.

All those charged with offences to be tried in the Crown Court must first appear before a magistrates' court, which decides whether to commit them to the Court for trial.

A magistrates court, which is open to the public and the media, usually consists of three lay magistrates—known as justices of

the peace—who are advised on points of law and procedure by a legally qualified clerk or a qualified assistant.

There are nearly 28,000 lay magistrates. The few full-time, legally qualified stipendiary magistrates may sit alone and usually preside in courts in urban areas where the workload is heavy.

Cases involving people under 18 are heard in youth courts. These are specialist magistrates' courts which either sit apart from other courts or are held at a different time. Restrictions are placed on access by ordinary members of the public, and media reports must not identify a young person appearing either as a defendant (unless a judge directs otherwise) or a witness.

Where a young person under 18 is charged jointly with someone of 18 or over, the case is heard in an ordinary magistrates' court or the Crown Court. If the young person is found guilty, the court may transfer the case to a youth court for sentence unless satisfied that it is undesirable to do so.

In February 1992 the Government published a White Paper on reform of magistrates' courts. The aims are to modernise the organisation of the courts to achieve consistently high standards while retaining local identity. Under the proposals there would also be an independent inspectorate with a lay element to assist in raising performance.

The Crown Court sits at about 90 centres and is presided over by High Court judges, full-time 'Circuit Judges' and part-time Recorders.

In cases of serious or complex fraud, full committal proceedings in magistrates' courts may be bypassed at the discretion of the prosecution. The accused can apply to the Crown Court to be discharged on the ground that there is no case to answer.

Scotland

The High Court of Justiciary, which sits in Edinburgh and other major towns and cities, tries the most serious crimes and has

exclusive jurisdiction in cases involving murder, treason and rape. The sheriff court is concerned with less serious offences and the district court with minor offences.

Criminal cases in Scotland are heard either under solemn or summary procedure. In solemn procedure, the trial takes place before a judge sitting with a jury of 15 people. Details of the alleged offence are set out in a document called an indictment. The judge decides questions of law and the jury questions of fact. In summary procedure the judge sits without a jury and decides questions of fact and law.

All cases in the High Court and the more serious ones in sheriff courts are tried by a judge and jury. Summary procedure is used in the less serious cases in the sheriff courts, and in all cases in the district courts. District court judges are lay justices of the peace. In Glasgow there are also stipendiary magistrates who are full-time lawyers with the same criminal jurisdiction in summary procedure as the sheriff.

Children under 16 who have committed an offence are normally dealt with by children's hearings (see p 107).

Northern Ireland

Cases involving minor summary offences are heard by magistrates' courts presided over by a full-time, legally qualified resident magistrate. Young offenders under 17 are dealt with by a juvenile court consisting of the resident magistrate and two lay members (at least one of whom must be a woman) specially qualified to deal with juveniles.

The Crown Court deals with criminal trials on indictment. It is served by High Court and county court judges. Proceedings are heard before a single judge, and all contested cases, other than those involving offences specified under emergency legislation, take place before a jury.

People accused of terrorist-type offences are tried by a judge sitting alone without a jury because of the possibility of jurors being intimidated by terrorist organisations. The onus remains on the prosecution to prove guilt beyond reasonable doubt and the defendant has the right to be represented by a

lawyer of his or her choice. The judge must set out in a written statement the reasons for convicting and there is an automatic right of appeal against conviction and sentence on points of fact as well as of law.

Trial

Criminal trials in Britain have two parties: the prosecution and the defence. The law presumes the innocence of an accused person until guilt has been proved. An accused person has the right to employ a legal adviser and may be granted legal aid from public funds (see p 113). If remanded in custody, he or she may be visited by a legal adviser to ensure a properly prepared defence.

Disclosure to the Defence

It is for the prosecution to prove that the defendant committed the crime alleged. In order for the defendant to understand the nature of the case against him or her, he or she must be informed of all the relevant information that the prosecution has, whether or not it forms part of its case.

In England and Wales, where cases are to be tried in the Crown Court, the Crown Prosecution Service must also disclose all the statements from the prosecution witnesses upon whom it proposes to rely. This must be done before any committal proceedings begin. This duty does not apply to offences tried in the magistrates' court, except when advance information is requested by the defence in those cases which could be tried either by magistrates or in the Crown Court.

In Scotland the prosecution must give to the defence advance notice of the witnesses it intends to call and of the documents and other items on which it will rely.

Trial Procedure

Criminal trials are normally in open court and rules of evidence, which are concerned with the proof of facts, are rigorously applied. If evidence is improperly admitted, a conviction can be quashed on appeal.

During the trial the defendant has the right to hear and cross-examine witnesses for

the prosecution. He or she can call his or her own witnesses who, if they will not attend voluntarily, may be legally compelled to do so. The defendant can also address the court in person or through a lawyer, the defence having the right to the last speech at the trial before the judge sums up. The defendant cannot be questioned without consenting to be sworn as a witness in his or her own defence. When he or she does testify, cross-examination about character or other conduct may be made only in exceptional circumstances. Generally the prosecution may not introduce such evidence. In Northern Ireland the judge can draw inferences from a refusal by a defendant to give evidence.

Child Witnesses

In England, Wales and Northern Ireland, child witnesses in cases involving offences of sex, violence or cruelty may now give evidence in Crown Court proceedings from outside the courtroom by means of a live television link. In this way the child need not see his or her alleged attacker in court. A child's sworn statement no longer has to be corroborated by other evidence for the court to hear it. In Scotland similar provisions apply.

The Criminal Justice Act 1991 extends live television links to youth court proceedings, and makes a number of further reforms to the law of evidence and procedure relating to child witnesses in England and Wales. The presumption that young children are not competent to give evidence in criminal proceedings is effectively removed, and video-recorded interviews become admissible as the main evidence of a child witness.

Fraud Proceedings

In England, Wales and Northern Ireland the judge in complex fraud cases may order a preparatory open Crown Court hearing to be held. This provides an opportunity for the judge to determine questions regarding admissibility of evidence and any other questions of law relating to the case. The judge also has the power to order the prosecution and the defence to serve on each other certain statements and to prepare the

case in such a way that it is easier to understand. Appeals may be made to the Court of Appeal from decisions of the judge in the preparatory hearings. The law on evidence has been changed to make it possible for courts to have before them a wider range of written evidence in the form of business documents.

The use of information technology systems to support the investigation and prosecution of fraud cases is being improved. Within the Serious Fraud Office, a case support section has been set up to determine and meet the information technology needs of each case. This work includes forensic computing (for example, the seizure of computers and securing of data for use as evidence) as well as the provision of technology to manage the large volume of material generated in fraud investigations. It also covers graphic techniques for the presentation of complex evidence in court.

The Jury

In jury trials the judge decides questions of law, sums up the evidence for the jury, and discharges the accused or passes sentence. In England, Wales and Northern Ireland the jury is responsible for deciding whether a defendant is 'guilty' or 'not guilty', the latter verdict resulting in acquittal. If the jury cannot reach a unanimous verdict, the judge may direct it to bring in a majority verdict provided that in the 12-member jury there are no more than two dissenters.

In Scotland the jury's verdict may be 'guilty', 'not guilty' or 'not proven'; the accused is acquitted if either of the last two verdicts is given. The jury consists of 15 people and a verdict of 'guilty' can only be reached if at least eight members are in favour. As a general rule no one may be convicted without corroborated evidence from at least two sources.

If the jury acquits the defendant, the prosecution has no right of appeal and the defendant cannot be tried again for the same offence. The defendant, however, has a right of appeal if found guilty.

A jury is independent of the judiciary.

Any attempt to interfere with a jury once it is sworn in is a criminal offence. Potential jurors are put on a panel before the start of the trial. In England and Wales the prosecution and the defence may challenge individual jurors on the panel, giving reasons for doing so. In Scotland the prosecution or defence may challenge up to three jurors without reason. In Northern Ireland each defendant has the right to challenge up to 12 potential jurors without giving reason.

People between the ages of 18 and 65 (70 in England, Wales and Northern Ireland) whose names appear on the electoral register, with certain exceptions, are liable for jury service and their names are chosen at random. Ineligible people include, for example, judges and people who have within the previous ten years been members of the legal profession or the police, prison or probation services. People convicted of certain offences within the previous ten years cannot serve on a jury. Anyone who has received a prison sentence of five years or more is disqualified for life.

Sentencing

If a person is convicted, the magistrate or judge (or their Scottish equivalents) decides on the most appropriate sentence. Account is taken of the facts of the offence, the circumstances of the offender and any previous convictions or sentences.

For serious offenders, a social enquiry report providing fuller information is given to the court by a probation officer (or social worker in Scotland). This gives details about the character, personality, social and domestic background of the offender, his or her education and employment record, and comments on possible sentences. Under the Criminal Justice Act 1991, courts must obtain and consider a 'pre-sentence' report before imposing a custodial sentence or certain community sentences. Similar to the social enquiry report, a pre-sentence report should focus more sharply on the type of sentence envisaged.

The defence lawyer may make a speech in mitigation on behalf of the offender.

Appeals

England and Wales

A person convicted by a magistrates' court may appeal to the Crown Court against the sentence imposed if he or she has pleaded guilty. An appeal may be made against both conviction and sentence if a 'not guilty' plea has been made. The Divisional Court of the Queen's Bench Division of the High Court hears appeals on points of law and procedure—by either prosecution or defence—in cases originally dealt with by magistrates. If convicted by the Crown Court, a defendant can appeal to the Court of Appeal (Criminal Division) against both the conviction and the sentence imposed. The House of Lords is the final appeal court, but it will only consider cases that involve a point of law of general public importance and where leave to appeal is granted.

The Attorney General may seek the opinion of the Court of Appeal on a point of law arising from a case where a person tried on indictment is acquitted. The Court has power to refer the point to the House of Lords if necessary. The acquittal in the original case is not affected.

The Attorney General may also refer a case to the Court of Appeal if he considers that a sentence passed by the Crown Court is too lenient. This applies to a case triable only on indictment in the Crown Court. If the Court of Appeal agrees, it may increase the sentence within the statutory maximum laid down by Parliament for the offence.

The Home Secretary may consider representations and intervene in cases where appeal rights have been exhausted and fresh evidence has emerged.

Scotland

All appeal cases are dealt with by the High Court of Justiciary and are heard by at least three judges. In both solemn and summary procedure, the accused may appeal against conviction, or sentence, or both. The Court may authorise a retrial if it sets aside a conviction. There is no further appeal to the House of Lords. In summary proceedings the

prosecutor may appeal on a point of law against acquittal or sentence. The Lord Advocate may seek the opinion of the High Court on a point of law which has arisen where a person tried on indictment is acquitted. The acquittal in the original case is not affected.

Northern Ireland

In Northern Ireland, appeals from magistrates' courts against conviction or sentence are heard by the county court. An appeal on a point of law alone can be heard by the Northern Ireland Court of Appeal, which also hears appeals from the Crown Court against conviction or sentence. Procedures for a further appeal to the House of Lords are similar to those in England and Wales.

Coroners' Courts

Coroners in England and Wales investigate violent and unnatural deaths or sudden deaths where the cause is unknown. An inquest is, however, not necessary if a sudden death was due to natural causes. The coroner must hold an inquest if the deceased died a violent or unnatural death or died in prison or in other specified circumstances. (In Northern Ireland the coroner investigates the matter to decide whether an inquest is necessary). It is the duty of the coroner's court to establish how, when and where the deceased died. A coroner may sit alone or, in certain circumstances, with a jury.

In Scotland the local procurator fiscal inquires privately into all sudden and suspicious deaths and may report the findings to the Crown Office. In a minority of cases a fatal accident inquiry may be held before the sheriff; this is mandatory in cases of death resulting from industrial accidents and of deaths in custody.

TREATMENT OF OFFENDERS

The Government's aim is to ensure that convicted criminals are punished justly and suitably according to the seriousness of their offences. It believes that those who commit very serious crimes, particularly crimes of violence, should receive long custodial

sentences, but that many other crimes can best be punished within the community through compensation and reparation.

Legislation sets the maximum penalties for offences, the sentence being entirely a matter for the courts, subject to these maxima. The Court of Appeal issues guidance to the lower courts on sentencing issues when points of principle have arisen on individual cases which are the subject of appeal.

In Scotland, where many offences are not created by statute, the penalty for offences at common law range from absolute discharge to life imprisonment.

Custody

England and Wales

The Government believes that custody should be used only for offenders convicted of serious criminal offences or where the public needs to be protected from serious harm from a violent or sexual offender. The Court of Appeal has stated that sentencers should ensure that terms of custody are as short as is consistent with the courts' duty to protect the public and to punish the criminal.

The Criminal Justice Act 1991 requires a court in England and Wales, before giving a custodial sentence, to be satisfied that the offence is serious enough to merit custody. The court also has to give reasons if it considers a custodial sentence to be necessary. Longer custodial sentences—within the statutory maxima—are available for persistent violent and sexual offenders in order to protect the public from serious harm.

A magistrates' court in England and Wales cannot impose a term of more than six months' imprisonment for an individual offence tried summarily. It can impose consecutive sentences for 'either way' offences (see p 97), subject to an overall maximum of 12 months' imprisonment. If an offence carries a higher maximum penalty, the court may commit the offender for sentence at the Crown Court. The Crown

Court may impose a custodial sentence for any term up to life, depending on the gravity of the crime and the maximum penalty available.

For an offence incurring a prison sentence of not more than two years, a court may decide that the operation of that sentence should be fully suspended. A sentence within this range may be suspended for an 'operational period' of at least one year and not more than two years. The suspended prison term is not served unless the offender commits another imprisonable offence during the period of suspension. The suspended sentence is then normally served in addition to any punishment imposed for the second offence. The court may also order supervision of the offender by a probation officer if the suspended sentence is more than six months.

There is a mandatory sentence of life imprisonment for murder throughout Britain. Life imprisonment is also the maximum penalty for a number of serious offences such as robbery, rape, arson and manslaughter.

Scotland and Northern Ireland

In trials on indictment in Scotland the High Court of Justiciary may impose a sentence of imprisonment for any term up to life, and the sheriff court any term up to three years. The latter may send any person to the High Court for sentence if the court considers its powers are insufficient. In summary cases, the sheriff or stipendiary magistrate may normally impose up to three months' imprisonment or six months' for some repeated offences. The district court can impose a maximum term of imprisonment of 60 days.

In Northern Ireland the position is generally the same as for England and Wales. A magistrates' court, however, cannot commit an offender for sentencing at the Crown Court if it has tried the case.

The Death Penalty

The death penalty remains on the statute book for the offences of treason, piracy with violence and some other treasonable and mutinous offences. It has, however, not been used for any of these offences since 1946.

Non-custodial Treatment

The Government believes that more offenders, particularly those convicted of property crimes and less serious cases of violence, should be punished in the community. In its view this should involve fines levied on the offender, compensation to the victim, probation, community service, a new combined order linking probation and community service, or a new curfew order to be used by itself or with other orders.

Fines

About 80 per cent of offenders are punished with a fine. There is no limit to the fine, unless set by statute, which the Crown Court (and High Court of Justiciary in Scotland) may impose on indictment. The Criminal Justice Act 1991 provides for an increase in the maximum fine usually available on summary conviction from £2,000 to £5,000 in England and Wales.

From October 1992 a unit fine system in magistrates' courts in England and Wales is being introduced, enabling fines to be more closely related to ability to pay. The court's sentence is given in units reflecting the seriousness of the offence, and the value of each unit settled according to the offender's disposable weekly income. Courts are empowered to require offenders to supply statements about their income.

Probation

The locally organised probation service in England and Wales supervises offenders in the community under direct court orders and after release from custody. It also provides offenders in custody with help and advice.

A probation order, which can last between six months and three years, can only be made by a court with the consent of the offender, who may be sentenced for the original offence if he or she fails to comply with the order or commits another offence while on probation.

A probation order requires the offender to maintain regular contact with the probation officer. Special conditions attached to the order may require the offender to attend a

day centre for up to 60 days. Although intended as a punishment, the time spent by offenders under supervision in the community offers an opportunity for constructive work to reduce the likelihood of reoffending. The flexibility of the probation order means that probation is suitable for those convicted of offences of differing degrees of seriousness.

In England and Wales the probation service also administers supervision orders, the community service scheme and supervises those released from prison on parole.

The Criminal Justice Act 1991 makes a probation order a sentence of the court, which may be used in combination with a community service order or a fine for a single offence. Her Majesty's Inspectorate of Probation is being put on a statutory basis under the same legislation. It will monitor the work of the voluntary and private sectors with the probation service in addition to its inspection and advisory duties. National objectives and standards are to be introduced for a wide range of probation work.

In Scotland the supervision of offenders on probation, supervision order or parole is the responsibility of local authority social work services.

In Northern Ireland the service is administered by a government-funded probation board, whose membership is representative of the community.

Community Service

Offenders aged 16 or over (17 in Northern Ireland) convicted of imprisonable offences may, with their consent, be given community service orders. The court may order between 40 and 240 hours' unpaid service to be completed within 12 months. Examples of work done include decorating the houses of elderly or disabled people and building adventure playgrounds.

National standards for community service orders were introduced in 1989 to ensure that all orders meet a common set of minimum requirements.

The Criminal Justice Act 1991 provides for a new court order in England and Wales, combining community service and probation.

The maximum term for the probation element is the same as a probation order and the maximum period of community service is 100 hours.

Curfew Order

The Criminal Justice Act 1991 empowers courts in England and Wales to issue a curfew order confining offenders to their homes at certain times to prevent them going to places which may be associated with their offending. It may also be combined with probation, community service or the new combination orders. The enforcement of curfew orders may be assisted by the inclusion of a requirement for the electronic monitoring of the offender's whereabouts.

Compensation and Reparation

The courts may order an offender to pay compensation for personal injury, loss or damage resulting from an offence. In England and Wales courts are required to give reasons for not awarding compensation to a victim. Compensation takes precedence over fines.

Courts may order the confiscation of proceeds gained by a criminal from drug trafficking and other offences such as robbery, fraud, blackmail and insider dealing in shares.

Other Measures

A court in England and Wales may discharge a person if it believes that punishment should not be inflicted and a probation order is not appropriate. If he or she is conditionally discharged, the offender remains liable to punishment for the offence if convicted of another offence within a period specified by the court (not more than three years).

The Crown Court may 'bind over' an offender by requiring him or her to keep the peace and/or be of good behaviour. If this requirement is not complied with, the offender may be brought before the court and dealt with for the original offence. Alternatively, a sum of money may be forfeited if conditions stated by the court are not met.

In Scotland there is a system of deferral of

sentence until a future date. During this period the accused is required to be of good behaviour and to meet any other conditions stipulated by the court. The court may also warn the offender or grant an absolute discharge.

Police cautions are used particularly for young offenders; the caution is a form of warning and no court action is taken.

Prisons

The Prison Service in England and Wales is managed directly by the Home Office. Scotland and Northern Ireland have separate prison services run by the Scottish and Northern Ireland Offices. The Prison Service in England and Wales and the Scottish Prison Service will become Executive Agencies from 1 April 1993.

The average inmate population in 1990–91 was 45,185 in England and Wales and 1,755 in Northern Ireland. The figure in 1991 for Scotland was 4,839.

Prisoners may be housed in accommodation ranging from open prisons to high security establishments. In Great Britain sentenced prisoners are classified into groups for security purposes. There are separate prisons for women. There are no open prisons in Northern Ireland, where the majority of offenders are serving sentences for terrorist offences. People awaiting trial in custody are entitled to privileges not granted to convicted prisoners. Those under 21 are, where possible, separated from convicted prisoners.

Many prisons in Great Britain were built in the nineteenth century and require major repairs to bring them up to modern standards. In order to ensure that all prisoners are housed in decent conditions, a major programme of improvement is in progress which, in England and Wales for example, will eliminate cells without access to integral sanitation. Overcrowding is being relieved by a prison building programme.

In Northern Ireland there is no overcrowding in the four prisons and a young offenders' centre. Four of these establishments have been built since 1972. The incorporation of integral sanitation and other

major improvements to the prison estate are underway in Scotland where, with some exceptions, overcrowding is not a problem.

White Paper on the Prison Service in England and Wales

Building on the recommendations of the Woolf Report on the 1990 prison disturbances, a White Paper, published in September 1991, set out a programme of reforms for the prison service in England and Wales, focusing on the main areas of custody, care and justice.

The White Paper confirmed the Government's acceptance of the central propositions in the Woolf Report—that security and control must be kept in balance with justice and humanity and that each must be set at the right level. The aim, reflected in the priority programme set out in the White Paper, is to provide a better prison system, with more effective measures for security and control, more constructive relationships between prisoners and staff, and more stimulating programmes for prisoners.

The Government is seeking to foster greater private sector involvement in the prison system of England and Wales. Under the Criminal Justice Act 1991 the Home Secretary is empowered to contract out the management of prisons and to allow escort and guarding functions to be carried out by the private sector. From April 1992 a new remand centre, the Wolds in Humberside, came into use under private management. Tenders have been invited for the management of Blakenhurst local prison, in Worcestershire, which is due to open early in 1993.

A Home Office controller works in each private prison and is responsible for monitoring performance, investigating allegations against custodial staff and adjudicating on disciplinary matters.

Early Release of Prisoners

The Criminal Justice Act 1991 has reformed the remission and parole systems in England and Wales, introducing new arrangements from October 1992 for the early release of

prisoners and for their supervision and liabilities after release. The Parole Board continues to advise the Home Secretary on the early release or recall of long-term prisoners.

Prisoners serving terms of less than four years may be released once they have served half of their sentences in custody. Long-term prisoners (those serving more than four years) may be released once they have served two-thirds of their sentence, although the legislation provides for the discretionary release on licence by the Home Secretary, on the recommendation of the Parole Board, of long-term prisoners once they have served one-half of their sentence. All prisoners sentenced to a year or more may be supervised on release until three-quarters of their sentence has passed. Certain sex offenders may be supervised to the end of their sentence.

If convicted of another offence punishable with imprisonment and committed before the end of the original sentence, a released prisoner may be liable to serve all or part of the original sentence outstanding at the time the fresh offence was committed.

Similar changes are being made in Scotland.

Northern Ireland

In Northern Ireland prisoners serving a sentence of more than five days are eligible for remission of half their sentence. A prisoner serving a sentence of more than 12 months who is given remission is liable to be ordered to serve the remainder of this sentence if convicted of fresh imprisonable offences during this period.

The rate of remission for those convicted of terrorist offences and serving sentences of five years or more is one-third. Any released prisoners convicted of another terrorist offence before the expiry of the original sentence must complete that sentence before serving any term for the second offence.

Life Sentence Prisoners

Under the Criminal Justice Act 1991, new procedures operate in England and Wales for

the release of life sentence prisoners convicted for offences other than murder. The Home Secretary is required to release such prisoners after an initial period set by the trial judge if so directed by the Parole Board, which has to be satisfied that the protection of the public does not require their further confinement. These new provisions conform with the requirements of the European Convention on Human Rights. Similar procedures are being introduced in Scotland.

People serving life sentences for the murder of police and prison officers, terrorist murders, murder by firearms in the course of robbery and the sexual or sadistic murder of children are normally detained for at least 20 years.

The release on licence of prisoners serving mandatory life sentences for murder may only be authorised by the Home Secretary on the recommendation of the Parole Board. A similar policy applies in Scotland. On release, life sentence prisoners remain on licence for the rest of their lives and are subject to recall should their behaviour suggest that they might again be a danger to the public.

In Northern Ireland the Secretary of State reviews life sentence cases on the recommendation of an internal review body.

Repatriation

Sentenced prisoners who are nationals of countries which have ratified the Council of Europe Convention on the Transfer of Sentenced Persons or similar international arrangements may apply to be returned to their own country to serve the rest of their sentence there.

Independent Oversight of the Prison System

Every prison establishment has a Board of Visitors—a Visiting Committee in Scotland—drawn from the local community, which acts as a watchdog for the Secretary of State. These bodies oversee prison administration and the treatment of prisoners. In order to see that prisoners are being treated fairly, members may go to any part of the prison and interview any inmate at any time. Except

in Scotland, these bodies also adjudicate on prisoners who have committed the more serious offences against prison discipline.

The White Paper recommended that Boards of Visitors should relinquish their adjudicatory role, allowing them to strengthen their role as watch-dogs.

The independent Prisons Inspectorates report to the respective Secretaries of State on the treatment of prisoners and prison conditions. Each establishment is visited about every two years.

Prison Industries, Education and Physical Education

Prison industries aim to give inmates work experience which will assist them when released and secure a return which will reduce the cost of the prison system. The main industries are clothing and textile manufacture, engineering, woodwork, laundering, farming and horticulture. In England and Wales most production caters for internal needs and for other public services, whereas in Scotland a greater proportion is sold to the private sector.

A few prisoners are employed outside prison, some in community service projects. Inmates are paid at pocket money rates; in some prisons incentive payment schemes provide an opportunity for higher earnings.

Education is financed by the prison service and staffed by local education authorities. Full-time education of 15 hours a week is compulsory for young offenders below school leaving age. For older offenders it is voluntary. Some prisoners study for public examinations, including those of the Open University.

The Prison Service in England and Wales is placing increasing emphasis on the development and implementation of National Vocational Qualifications (see p 164) for inmates. Similar moves are underway in Scotland.

All new prisons have purpose-built education units, and schemes to build new education accommodation or to refurbish or extend existing facilities are also underway or planned at many other establishments.

Physical education is voluntary for adult

offenders but compulsory for young offenders. Practically all prisons have physical education facilities, some of which are purpose built. Opportunities are given for inmates to obtain proficiency awards issued by governing bodies of sport. Inmates also compete against teams in the local community.

Medical and Psychiatric Care

The Health Care Service for Prisoners in England and Wales is responsible for the physical and mental health of all those in custody. It was launched in April 1992 following a scrutiny of the prison medical service which proposed greater emphasis on health promotion. The Service stresses the prevention of illness, as well as diagnosis and treatment; it is looking at physical and mental health, treatment and cure, training and education, and prison conditions.

A review of services for mentally disordered offenders is being undertaken jointly by the Department of Health and the Home Office; this has already resulted in the provision of another 400 medium-secure psychiatric beds. A Health Advisory Committee provides independent medical advice on prisoners to government ministers, the Prison Service Director General and the Director of Health Care.

Privileges and Discipline

Prisoners may write and receive letters and be visited by relatives and friends, and those in some establishments may make telephone calls. Privileges include a personal radio, books, periodicals and newspapers, and the opportunity to make purchases from the canteen with money earned in prison. Depending on facilities, they may also dine together and watch television.

Breaches of discipline are dealt with by the prison governor or, except in Scotland, by the board of visitors. The Government is proposing that prison governors should in future conduct all disciplinary cases within their current powers and that there should be an appeal system to an independent body against decisions arising from the disciplinary and complaints procedures.

Welfare

Prison officers deal with welfare matters and are supported in this by probation staff (in Scotland, social workers), who use their own professional skills to help individual prisoners understand more about the nature of their offending behaviour.

Religion and Spiritual Care

Anglican, Church of Scotland, Roman Catholic and Methodist chaplains provide opportunities for worship and spiritual counselling. They are supported by visiting ministers of other denominations and faiths. In a multi-faith and multicultural society particular attention is given to the needs of those of non-Christian faiths and ethnic minorities.

Preparation for Release

The Prison Service has a duty to prepare prisoners for release. Sentence planning is being extended progressively to all prisoners serving substantial sentences, in conjunction with extended arrangements for aftercare (see below). Many medium- and long-term prisoners in the later parts of their sentences may be granted home leave for short periods, in order to give the prisoner the opportunity to re-establish links with family and friends, and, where leave is taken near the end of the sentence, to contact prospective employers and make firm plans for release.

The Pre-Release Employment Scheme allows selected long-term prisoners to spend their last six months before release in certain hostels attached to prisons, to help them re-adapt to society. Hostellers work in the outside community and return to the hostel each evening. Frequent weekend leave allows hostellers to renew ties with their families.

In Northern Ireland prisoners serving fixed sentences may have short periods of leave near the end of their sentences and at Christmas. Life-sentence prisoners are given a nine-month pre-release programme which includes employment outside the prison.

Aftercare

Professional social work support is given to offenders following their release. Most young offenders under the age of 22, adult offenders released early and those released on licence from a life sentence receive a period of compulsory supervision from the probation service.

Young Offenders

England and Wales

In England and Wales criminal proceedings cannot be brought against children below the age of 10 years. Arrangements for dealing with young offenders above that age in England and Wales have been amended by the Criminal Justice Act 1991.

From October 1992, 17-year-old offenders fall within the jurisdiction of youth courts (previously juvenile courts). Treated as a coherent group by the Act, 16- and 17-year-olds may be given probation orders, curfew orders and community service orders up to the maximum for older offenders, or supervision orders or other community sentences (see below) as are available for younger offenders.

Under a supervision order (which may remain in force for not more than three years) a child or young person normally lives at home under the supervision of a social worker or a probation officer. The order can be used to provide for a programme of constructive and remedial activities by means of a short residential course or, more usually, attendance at a day or evening centre.

Anyone under 21 years of age who is found guilty of an offence for which an adult may be imprisoned can be ordered to attend at an attendance centre for a number of hours. An attendance centre order may also be made where the offender has not complied with another order (for example default in paying a fine or breach of a probation order).

The maximum total number of hours of attendance is 36 (or 24 if the offender is aged under 16) and the minimum is 12 hours. The order is served by attending the centre on

several different occasions, the longest period of attendance in any one day being three hours. The aim of the order is to encourage offenders, while in a disciplined environment, to make more constructive use of their leisure time.

The criteria for imposing a custodial sentence on a young offender are that:

- only a custodial sentence will adequately protect the public from serious harm from the offender; or
- the offence is so serious that a non-custodial sentence cannot be justified.

Young people aged between 15 and 17 may be sent to a young offender institution. In the case of a very serious crime, detention in a place approved by the Home Secretary may be ordered, and must be ordered in the case of murder.

The custodial sentence for those aged between 18 and 20 years is also detention in a young offender institution. Alternatives include fines and compensation, attendance centre orders (for up to 36 hours) and community service orders (for between 40 and 240 hours).

The 1991 Act strengthens the courts' duty and powers to involve the parents of young offenders when their cases are heard. If the offender is under 16:

- the parents must attend the hearing unless there are exceptional circumstances;
- the court has to consider whether the parents should be bound over to exercise proper control of the child; and
- the court has to take account of the parents' means when assessing the level of fine to be imposed on the offender.

In the case of 16- and 17-year-old offenders, the court's duty to involve parents is replaced by a power. Where local authorities have assumed parental responsibility the duty to attend court and pay any fines also applies.

The new legislation makes provision for the courts to remand juveniles, who need to be held in secure conditions while awaiting trial or sentence, to local authority secure accommodation instead of adult prisons.

Scotland

Children under 16 who have committed an offence or are considered to be in need of care and protection may be brought before a children's panel which consists of three lay people. This children's hearing determines in an informal setting whether compulsory measures of care are required and, if so, the form they should take. An official 'reporter' decides whether a child should come before a hearing. If the grounds for referral are not accepted by the child or parent, the case goes to the sheriff for proof. If he finds the grounds established, the sheriff remits the case to the reporter to arrange a hearing. The sheriff also decides appeals against any decision of a children's hearing.

Custody is available to the courts for young people aged between 16 and 21; as in England and Wales, they serve their sentences in an institution for young offenders. Remission of part of the sentence for good behaviour, release on parole and supervision on release are available.

Northern Ireland

Those aged between 10 and 16 who are charged with a criminal offence will normally be brought before a juvenile court. If found guilty of an offence punishable in the case of an adult by imprisonment, the court may order the child or young person to be placed in care, under supervision or on probation. The offender may also be required to attend a day attendance centre, be sent to a training school or committed to custody in a remand home. Non-custodial options are the same as in England and Wales.

Offenders aged between 16 and 21 who receive custodial sentences of less than three years serve them in a young offenders' centre.

Civil Justice

The Civil Law

The civil law of England, Wales and Northern Ireland covers business related to the family, property, contracts and torts

(non-contractual wrongful acts suffered by one person at the hands of another). It also includes constitutional, administrative, industrial, maritime and ecclesiastical law. Scottish civil law has its own, broadly similar, branches.

CIVIL COURTS

England and Wales

The limited civil jurisdiction of magistrates' courts extends to matrimonial proceedings for maintenance orders, adoption orders, guardianship orders and family protection orders. Family proceedings courts, which are part of the magistrates' courts, consider childcare cases. The courts also have jurisdiction regarding public health and the recovery of local taxes.

The jurisdiction of the 270 county courts covers:

- actions founded upon contract and tort;
- trust and mortgage cases;
- action for the recovery of land;
- cases involving disputes between landlords and tenants;
- complaints about race and sex discrimination;
- admiralty cases (maritime questions and offences) and patent cases; and
- divorce cases.

Specialised work is concentrated in certain designated courts. In some types of cases, for example admiralty cases, a county court is restricted to an upper financial limit. There are special arbitration facilities and simplified procedures for small claims not exceeding £1,000.

The High Court, which is divided into three divisions, deals with the more complicated civil cases. Its jurisdiction covers mainly civil and some criminal cases; it also deals with appeals from tribunals and from magistrates' courts in both civil and criminal matters. The Family Division is concerned with jurisdiction affecting the family, including that relating to wardship, adoption and guardianship. The Chancery Division

deals with the interpretation of wills and the administration of estates. The Queen's Bench Division deals with contract and tort cases. Maritime law and commercial law are the responsibility of admiralty and commercial courts of the Queen's Bench Division.

In the event of overlapping jurisdiction between the High Court and the county courts, cases of exceptional importance, complexity or financial substance are reserved for trial in the High Court.

Appeals

Appeals in matrimonial, adoption and guardianship proceedings heard by magistrates' courts go to the Family Division of the High Court. Since October 1991 appeals on child care cases have also been dealt with by the High Court. Appeals from the High Court and county courts are heard in the Court of Appeal (Civil Division), and may go on to the House of Lords, the final national court of appeal in civil and criminal cases.

The judges in the House of Lords usually sit as a group of five. Lay peers do not attend the hearings of appeals, which normally take place in a committee room, but peers who hold or have held high judicial office may also sit. The president of the House in its judicial capacity is the Lord Chancellor.

Scotland

The civil courts in Scotland are the Court of Session and the sheriff court, which have the same jurisdiction over most civil litigation. The Court of Session, however, does not consider cases with a value of less than £1,500; these are dealt with by the sheriff court. Appeals from the sheriff may be made to the sheriff principal or directly to the Court of Session in ordinary actions.

In summary actions (generally cases where the value of the claim is between £750 and £1,500) the case may be appealed to the sheriff principal on a point of law and to the Court of Session thereafter only if the sheriff principal certifies the case as suitable for such an appeal. In small claims (cases where the value of the claim does not exceed £750)

there may be an appeal to the sheriff principal on a point of law.

The Court of Session sits in Edinburgh, and in general has jurisdiction to deal with all kinds of action. It is divided into the Outer House, a court of first instance; and the Inner House, mainly an appeal court. Appeals to the Inner House may be made from the Outer House and from the sheriff court. From the Inner House an appeal may go to the House of Lords.

The Scottish Land Court deals exclusively with matters concerning agriculture. Its chairman has the status and tenure of a judge of the Court of Session and its other members are lay specialists.

Northern Ireland

Civil cases up to a limited and specified monetary value are dealt with in county courts, although magistrates' courts also deal with certain limited classes of civil case. The superior civil law court is the High Court of Justice, from which an appeal may be made to the Court of Appeal. The House of Lords is the final civil appeal court.

Civil Proceedings

England and Wales

In England and Wales civil proceedings are started by the aggrieved person. Actions in the High Court are usually begun by a writ served on the defendant by the plaintiff, stating the nature of the claim. Before the case is set down for trial in the High Court, documents (pleadings) setting out the scope of the dispute are filed with the court; the pleadings are also served on the parties. County court proceedings are initiated by a summons usually served on the defendant by the court. Child care cases are initiated by an application.

The High Court and the county courts have power in most cases to order pre-trial exchange of witness statements. Courts may impose penalties in costs on parties who unreasonably refuse to admit facts or disclose documents before trial.

Civil proceedings, as a private matter, can

usually be abandoned or ended by settlement between the parties at any time. Actions brought to court are usually tried without a jury, except in libel, false imprisonment or malicious prosecution cases or where fraud is alleged, when either party may apply for trial by jury. The jury decides questions of fact and determines damages to be paid to the injured party; majority verdicts may be accepted. The Court of Appeal is able to increase or reduce damages awarded by a jury if it considers them inadequate or excessive.

A decree of divorce must be pronounced in open court, but a procedure for most undefended cases dispenses with the need to give evidence in court and permits written evidence to be considered by the district judge.

In civil cases heard by a magistrates' court, the court issues a summons to the defendant setting out details of the complaint and the date on which it will be heard. Parties and witnesses give their evidence at the court hearing. Domestic proceedings are normally heard by not more than three lay justices, including, where practicable, a woman. Members of the public are not allowed to be present. The court may order provision for custody, access and supervision of children, as well as maintenance payments for spouses and children.

The law has been changed recently to speed up civil proceedings in magistrates' courts by allowing written statements, expert opinions and hearsay evidence to be accepted in court without the presence of the witness unless the evidence is disputed and the disputing party requests the presence of the witness.

Most judgments are for sums of money and may be enforced, in cases of non-payment, by seizure of the debtor's goods or by a court order requiring an employer to make periodic payments to the court by deduction from the debtor's wages. Other court remedies may include an injunction restraining someone from performing an unlawful act. Refusal to obey a court order may result in imprisonment for contempt.

Normally the court orders the costs of an action to be paid by the party losing it, but, in the case of family law maintenance proceedings, a magistrates' court can order

either party to pay the whole or part of the other's costs.

Scotland

In Scotland proceedings in the Court of Session or actions in the sheriff court are initiated by serving the defender with a summons (an initial writ in the sheriff court). A defender who intends to contest the action must inform the court; if he or she fails to do so, the court normally grants a decree in absence in favour of the pursuer. Where a case is contested, both parties must prepare written pleadings. Time is allowed for either party to adjust their pleadings in the light of what the other has said. At the end of this period a court hearing will normally be arranged.

In summary cases (involving sums between £750 and £1,500) in the sheriff court a statement of claim is incorporated in the summons. The procedure is designed to enable most actions to be carried through without the parties involved having to appear in court. Normally they (or their representatives) need appear only when an action is defended.

Northern Ireland

There are a number of differences between proceedings in Northern Ireland and those in England and Wales, for example, procedures regarding divorce or pre-trial disclosure.

Restrictive Practices Court

The Restrictive Practices Court is a specialised United Kingdom court dealing with monopolies and restrictive trade practices. It comprises five judges and up to ten other people with expertise in industry, commerce or public life.

Tribunals

Tribunals exercise judicial functions separate from the courts and tend to be more accessible, less formal and less expensive. They are normally set up under statutory powers which also govern their constitution,

functions and procedure. Tribunals often consist of lay people, but they are generally chaired by someone legally qualified.

Some tribunals decide disputes between private citizens. Industrial tribunals, for example, have a major role in employment disputes. Others, such as those concerned with social security, resolve claims by private citizens against public authorities. A further group (including tax tribunals) decide disputed claims by public authorities against private citizens, while others decide cases concerning immigration into Britain. Tribunals usually consist of an uneven number of people so that a majority decision can be reached.

In the case of some tribunals a two-tier system operates, with an initial right of appeal to a lower tribunal and a further right of appeal, usually on a point of law, to a higher one and thence to the Court of Appeal. Appeals from single tier tribunals can be made on a point of law only to the High Court in England and Wales, to the Court of Session in Scotland, and to the Court of Appeal in Northern Ireland. There are a few exceptions including, for example, immigration appeals, where there is no right of appeal directly from the Immigration Appeals Tribunal to the courts.

The independent Council on Tribunals exercises general supervision over many tribunals, advising on draft legislation and rules of procedure, monitoring their activities and reporting on particular matters. A Scottish Committee of the Council exercises the same function in Scotland.

Administration of the Law

GOVERNMENT RESPONSIBILITIES

Administration of justice rests with the Lord Chancellor, the Home Secretary, the Attorney General and the Secretaries of State for Scotland and Northern Ireland. The highest judicial appointments are made by the Queen on the advice of the Prime Minister. The judiciary is independent, its adjudications not being subject to ministerial direction or control.

England and Wales

The Lord Chancellor is the head of the judiciary. He is concerned with court procedure and is responsible for the administration of all courts other than coroners' courts, and for a number of administrative tribunals. He recommends all other judicial appointments to the Crown and appoints magistrates. He has general responsibility for the legal aid and advice schemes and for the administration of civil law reform.

The Home Secretary is concerned with the criminal law, the police service, prisons, and the probation and after-care service. He appoints a Board of Visitors to each prison establishment (see p 105), and is advised by the Parole Board on the release of prisoners on licence. The Home Secretary is also responsible for advising the Queen on the exercise of the royal prerogative of mercy to pardon a person convicted of a crime or to remit all or part of a penalty imposed by a court.

The Attorney General and the Solicitor General are the Government's principal advisers on English law, and they represent the Crown in appropriate domestic and international cases. They are senior barristers, elected members of the House of Commons and hold ministerial posts. The Attorney General is also Attorney General for Northern Ireland. As well as exercising various civil law functions, the Attorney General has final responsibility for enforcing the criminal law. The Solicitor General is, in effect, the deputy of the Attorney General. As head of the Crown Prosecution Service, the Director of Public Prosecutions is subject to superintendence by the Attorney General, as are the Director of the Serious Fraud Office and the Director of Public Prosecutions for Northern Ireland.

Scotland

The Secretary of State for Scotland recommends the appointment of all judges other than the most senior ones, appoints the staff of the High Court of Justiciary and the Court of Session, and is responsible for the

composition, staffing and organisation of the sheriff courts. District courts are staffed and administered by the district and islands local authorities.

The Secretary of State is also responsible for criminal law, crime prevention, the police, the penal system and legal aid; he is advised on parole matters by the Parole Board for Scotland.

The Lord Advocate and the Solicitor General for Scotland are the chief legal advisers to the Government and the main representatives of the Crown for the purposes of litigation in Scotland. Both are government ministers. The Lord Advocate is closely concerned with legal policy and administration, and is responsible for the Scottish parliamentary counsel. He must act independently when prosecuting crime.

Northern Ireland

The administration of all courts is the responsibility of the Lord Chancellor, while the Northern Ireland Office, under the Secretary of State, deals with the criminal law, the police and the penal system. The Lord Chancellor has general responsibility for legal aid, advice and assistance.

THE PERSONNEL OF THE LAW

The courts of the United Kingdom are the Queen's Courts, since the Crown is the historic source of all judicial power. The Queen, acting on the advice of ministers, is responsible for all appointments to the judiciary, except district judges in the county courts, who are appointed by the Lord Chancellor.

Judges

Judges are normally appointed from practising barristers, advocates (in Scotland), or solicitors (see below).

Lay magistrates in England and Wales need no legal qualifications but are trained to give them sufficient knowledge of the law, including the rules of evidence, and of the nature and purpose of sentencing.

The Scottish district court justices of the

peace need no legal qualifications, but they too must take part in training.

In Northern Ireland members of a lay panel who serve in juvenile courts undertake training courses; resident magistrates are drawn from practising solicitors or barristers.

The Legal Profession

The legal profession is divided into two branches: barristers (advocates in Scotland) and solicitors. Barristers are known collectively as the 'Bar', and collectively and individually as 'counsel'. Solicitors undertake legal business for individual and corporate clients, while barristers advise on legal problems submitted through solicitors and present cases in the higher courts. Both can present cases in the lower courts. Although people are free to conduct their own cases, most people prefer to be legally represented in the more serious cases.

Recent legislation is designed to stimulate the development of good quality legal services for clients in Great Britain by lifting restrictions on who can provide these services. Solicitors are applying for the right to appear in the higher courts. Building societies, banks and other financial organisations can offer conveyancing services under a scheme providing important new safeguards to clients. People in England and Wales wanting to take legal action will be able, like those in Scotland, to negotiate a form of 'no win, no fee' agreement, in personal injury cases, with their legal advisers.

The system of complaints against legal practitioners has been strengthened by the creation of a Legal Services Ombudsman able to investigate how the professional bodies handle these complaints. Similar proposals regarding legal services in Northern Ireland are being considered.

LEGAL AID

A person in need of legal advice or legal representation in court may qualify for help with the costs out of public funds, either free or with a contribution according to means under the various legal aid schemes.

Green Form Scheme

People whose income and savings are within certain limits are entitled to help from a solicitor on legal matters (with the exception of conveyancing and, in some cases, the making of a will). Such help includes advice on the relevant law, writing letters on the client's behalf, and seeking the opinion of a barrister or advocate. In England, Wales and Northern Ireland it may be extended to cover representation in civil proceedings in the magistrates' court and Mental Health Review Tribunal hearings.

In England and Wales the scheme provides for initial work to be done up to a limit of three hours' worth of work for matrimonial cases where a petition is drafted and two hours' worth for other work. There are cost limits in Northern Ireland.

Legal Aid in Civil Proceedings

Legal aid, which covers representation before the court, may be available for most civil proceedings to those who satisfy the financial eligibility conditions. An applicant for legal aid must also show not only that he or she has reasonable grounds for taking or defending proceedings—or being a party to proceedings—but also that it is reasonable that he or she should receive legal aid. If legal aid is granted, the case is conducted in the normal way; in England and Wales all payments to lawyers are made through the Legal Aid Fund administered by the Legal Aid Board.

In certain limited circumstances the successful unassisted opponent of a legally aided party may recover his or her costs in the case from the Legal Aid Fund. Where the assisted person recovers or preserves money or property in the proceedings, the Legal Aid Fund will usually have a first charge on that money or property to recover money spent on the assisted person's behalf.

Legal Aid in Criminal Proceedings

In criminal proceedings in England, Wales and Northern Ireland a legal aid certificate

may be granted by the court if it appears to be in the interests of justice and if a defendant is considered to require assistance in meeting his or her costs. A certificate must be granted (subject to means) when a person is committed for trial on a murder charge or where the prosecutor appeals or applies for leave to appeal from the Court of Appeal to the House of Lords. No person who is unrepresented can be given a custodial sentence for the first time unless given the opportunity to apply for legal aid.

The Legal Aid Board in England and Wales makes arrangements for duty solicitors to be present at magistrates' courts to provide initial advice and representation to unrepresented defendants. Solicitors are available, on a 24-hour basis, to give advice and assistance to suspects at police stations. The services of a solicitor at a police station and the duty solicitor at court are free.

In Northern Ireland a voluntary duty solicitor scheme has been introduced at the principal magistrates' court in Belfast. Legal aid for criminal cases is free.

Scotland

In Scotland, legal aid in criminal proceedings is available to all persons in custody on their first appearance in the sheriff courts and the district courts without enquiry into the person's means. Thereafter (or if the person has been cited to attend the court and is not in custody) a person seeking legal aid must apply to the Scottish Legal Aid Board. The Board assesses all applications in summary criminal cases and must be satisfied that the costs of the case cannot be met by the applicant without undue hardship, and that it is in the interests of justice that legal aid is awarded.

In solemn proceedings the Court determines whether legal aid is to be available and must be satisfied only that the accused

cannot meet the costs of the defence without undue financial hardship. Where legal aid is granted to the accused in criminal proceedings, he or she is not required to pay any contribution towards expenses (in contrast to the legally aided litigant in civil proceedings).

Law Centres

In a number of urban areas law centres provide free legal advice and representation. Financed from various sources, often including local government authorities, they usually employ full-time salaried lawyers and many have community workers. Much of their time is devoted to housing, employment, social security and immigration problems.

Free advice is also available in Citizens Advice Bureaux, consumer and housing advice centres and in specialist advice centres run by various voluntary organisations.

LAW REFORM

In England and Wales the Law Commission is responsible for reviewing the law and making recommendations for its simplification and modernisation. The Lord Chancellor also occasionally refers specific topics to the Law Reform Committee, nominating as members experts in the particular field of law involved. In criminal law matters the Home Secretary acts similarly with the Criminal Law Revision Committee. Any changes in the law are a matter for legislation.

Law reform in Scotland is the responsibility of the Scottish Law Commission, which reports to the Lord Advocate. In Northern Ireland the Law Reform Advisory Committee, which reports to the Secretary of State, reviews certain aspects of the civil law and makes recommendations for reform.

6 Social Welfare

The British social welfare system comprises the National Health Service (NHS), the personal social services and social security. The NHS provides a full range of medical services which are available to all residents, regardless of their income. Local authority personal social services and voluntary organisations provide help and advice to the most vulnerable members of the community. These include elderly, physically disabled and mentally ill people, those with learning disabilities (mental handicap) and children in need of care. The social security system is designed to secure a basic standard of living for people in financial need by providing income during periods of inability to earn (including periods of unemployment), help for families and assistance with costs arising from disablement.

Central government is directly responsible for the NHS, administered by a range of local health authorities and boards throughout Britain acting as its agents, and for the social security system. Personal social services are administered by local authorities but central government is responsible for establishing national policies, issuing guidance and overseeing standards. Joint finance and planning between health and local authorities aim to prevent overlapping of services and to encourage the development of community services.

Planned spending on social welfare in 1992-93 is: health over £34,000 million, and social security benefits (the Government's largest expenditure programme) over £68,000 million, while the standard spending assessment for personal social services is over £5,000 million.

Spending on the health service has increased substantially in real terms since 1980, and is planned to grow further over the next two years. More patients are being

treated than ever before. Spending on social security is rising because of increased numbers of beneficiaries, especially retirement pensioners, and the long-term sick and disabled. The value of retirement and most other long-term benefits has also increased in real terms since 1980. Spending on the personal social services is determined by local authorities. Central government has restricted the total expenditure of individual local authorities, but spending has risen substantially in real terms since the late 1970s, reflecting the priority given to this sector.

In England the NHS health programme consists of:

- Hospital and Community Health Services (HCHS), providing all hospital care and a range of community health services;
- Family Health Services (FHS), providing general medical, dental and pharmaceutical services and some ophthalmic services, and covering the cost of most medicines prescribed by general practitioners (GPs);
- Central Health and Miscellaneous Services (CHMS), providing services most effectively administered centrally, such as welfare food and support to the voluntary sector; and
- the administrative costs of the Department of Health.

MAJOR POLICY DEVELOPMENTS

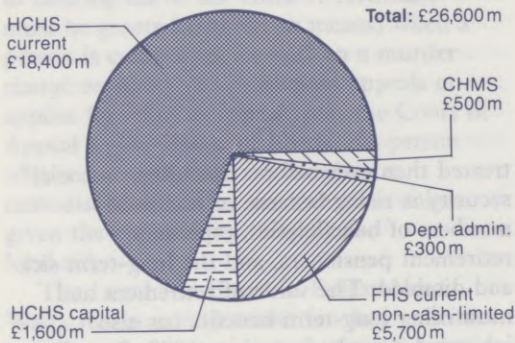
Major Reforms in Management

The NHS and Community Care Act 1990 introduced wide-ranging reform in management and patient care in the health and social care services.

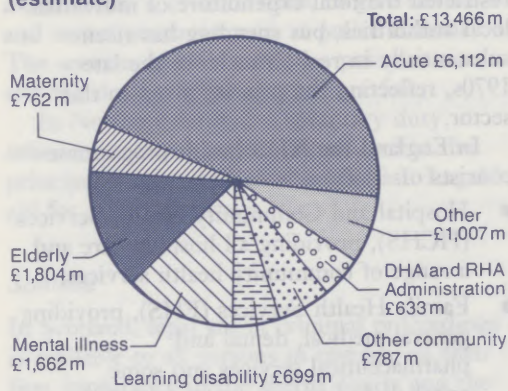
The NHS reforms came into effect in

Health Service Expenditure in England

NHS Gross Expenditure 1991-92 (estimate)

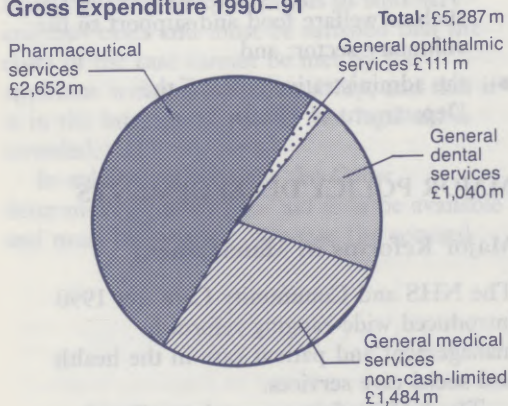


Hospital and Community Health Services Gross Current Expenditure by Sector 1989-90 (estimate)



1. Other community services include health visiting, immunisation, screening, health promotion and community dental services.
2. Other services include ambulances, the blood transfusion service, mass radiography and the Service Increment for Teaching and Research (SIFTR).

Non-cash-limited Family Health Services Gross Expenditure 1990-91



Source: Department of Health. *The Government's Expenditure Plans 1992-93 to 1994-95.*

April 1991. Their aim is to give patients, wherever they live in Britain, better health care and greater choice of service.

1. Health authorities have been given a new role as purchasers of health care on behalf of their local residents, responsible for assessing local health care needs and ensuring the availability of a full range of services to meet identified health needs. They ensure that those needs are met within existing resources.

2. Each health authority is funded to buy health care for its local residents through arranging contracts with hospitals and other health service units in either the public or private sector. For the first time hospitals are directly funded for the number of patients they treat, making it easier for GPs to refer patients outside their area if treatment elsewhere is faster and better. However, powers exist for allocating resources where the urgent need for treatment does not allow NHS contracts to be arranged in advance.

3. The contracts agreed between health authorities and hospitals set out the quality, quantity and cost of the services to be delivered during the year. The contracts secured by each health authority are based on wide consultation with all local GPs.

4. Hospitals may apply to become self-governing NHS trusts (see p 122), independent of local health authority control but remaining within the NHS, accountable to the relevant health department, treating NHS patients, and funded largely through general taxation, through contracts with health authorities.

5. GPs from larger medical practices may apply to join the general practitioner fundholding scheme (see p 121), under which they receive an annual budget directly from the health authority, enabling them to buy certain hospital services for their patients.

The reforms in community care provision, which take effect between April 1991 and April 1993, establish a new financial and managerial framework which aims to secure the delivery of good quality services in line with national objectives. They are intended to enable vulnerable groups in the community to live as independently as possible in their own homes for as long as they are able and wish

to do so, and to give them a greater say in how they live and how the services they need should be provided. (For fuller details see p 135.)

Broadly similar changes have been introduced under separate legislation in Northern Ireland, where health and personal social services are provided on an integrated basis by health and social services boards.

The Patient's Charter

The Patient's Charter, published in 1991, is part of the health departments' contribution to the Citizen's Charter White Paper, a government initiative designed to raise standards of service and to make providers of all the public services fully accountable to the users of those services (see p 50). The Patient's Charter shares the objectives of the NHS reforms: to improve standards of health care and sensitivity to patients in the NHS. It sets out for the first time the rights of patients and the standards of care they can expect to receive from the NHS. The Government believes that patients should know what they can expect from the NHS and that the staff who provide services should understand what is expected of them. The responsibility for implementing the Patient's Charter rests with health authorities.

As well as restating the existing rights that patients have under the NHS, the Patient's Charter sets out three new rights introduced in April 1992. These are that patients must:

- be given detailed information on local health services, including quality standards and maximum waiting times;
- be guaranteed admission for treatment no later than two years from the date of being placed on a waiting list; and
- have any complaint about NHS services investigated, and receive a full reply as soon as possible.

The Patient's Charter also sets national charter standards. These are not legal rights but specific standards of service which the NHS aims to provide. These cover respect for the individual patient, waiting times for ambulances, assessment in casualty

departments, appointments in out-patient clinics, and cancellation of operations. Also included are local charter standards of service which health authorities aim to provide.

Separate Patient's Charters have been developed for Scotland, Wales and Northern Ireland.

Developing Health Strategies

The Government emphasises the importance of promoting health as well as treating illness. Preventive health services such as health education, and the responsibility that individuals have for their own health, play a major part in this. While great progress has been made in eliminating infectious diseases such as poliomyelitis and tuberculosis, there is still scope for greater success in controlling the major causes of early death and disability.

The White Paper *The Health of the Nation*, published in July 1992, sets out a strategy for improving health. This is the first time a strategy has been developed for health in England and its long-term aim is to enable people to live longer, healthier lives. It sets targets for improvements in the following areas:

- coronary heart disease and stroke (the major cause of premature death in England);
- cancers (the second biggest cause of premature death);
- accidents (the commonest cause of death in those under 30);
- mental illness (a leading cause of ill-health and, through suicides, of death); and
- HIV/AIDS and sexual health (HIV/AIDS is perhaps the greatest new public health threat this century—see p 129—and there is much scope for reducing sexually transmitted diseases and unwanted pregnancies).

Targets are set for reducing death rates (for example, from coronary heart disease and stroke in those under 65 by at least 40 per cent by the year 2000), for reducing ill-health (such as the incidence of invasive cervical cancer by at least 20 per cent by 2000) and

for reducing risk behaviour (for example, the percentage of smokers to no more than 20 per cent of the population by the year 2000). While the NHS will have a central role in working towards the targets, the strategy also emphasises that there is a role for everyone in improving the nation's health. Progress towards these targets will be monitored, and the strategy will be reviewed periodically with a view to adding further areas.

The White Paper also sets out the Government's objective of ensuring the provision of effective family planning services for those people who want them. The conception rate for those under 16 years is a matter of particular concern.

Strategies have also been developed for Scotland, Wales and Northern Ireland.

National Health Service

The NHS is based upon the principle that there should be a full range of publicly provided services designed to help the individual stay healthy. The services are intended to provide effective and appropriate treatment and care where necessary while making the best use of available resources. All taxpayers, employers and employees contribute to its cost so that those members of the community who do not require health care help to pay for those who do. Some forms of treatment, such as hospital care, are provided free; others (see p 119) may be charged for.

Growth in real spending on the health service is being used to meet the needs of increasing numbers of elderly people and to take full advantage of advances in medical technology. It is also used to provide more appropriate types of care, often in the community rather than in hospital, for priority groups such as the elderly, the mentally ill and people with learning disabilities (mental handicap). Increased spending has, in addition, been allocated to combat the growing health problems arising from alcohol and drug misuse; and to remedy disparities in provision between the regions of Britain.

The Government stresses the need for a

partnership between the public and private health sectors and for improving efficiency in order to secure the best value for money and the maximum patient care. Measures to achieve more effective management of resources in the NHS have included:

- appointing at regional, district and unit levels general managers drawn from inside and outside the health service;
- improving the accountability of health authorities for the planning and management of their resources;
- increasing the proportion of total staff who provide direct patient care, such as doctors and nurses; and
- introducing a range of programmes to provide services at lower cost.

Considerable savings have been made through competitive tendering for hospital cleaning, catering and laundry services. At the end of 1991 the Government announced that total annual savings from competitive tendering amounted to £156 million. Economies are also made in prescribing by restricting the use of expensive branded products in favour of cheaper but equally effective equivalent medicines.

ADMINISTRATION

The Secretary of State for Health in England and the Secretaries of State for Scotland, Wales and Northern Ireland are responsible for all aspects of the health services in their respective countries. The Department of Health is responsible for national strategic planning in England. The Scottish Office Home and Health Department, the Welsh Office and the Department of Health and Social Services in Northern Ireland have similar responsibilities.

District health authorities in England and Wales and health boards in Scotland are responsible for securing hospital and community health services in their areas. England, because of its greater size and population, also has regional authorities responsible for regional planning, resource allocation, major capital building work and certain specialised hospital services best

administered on a regional basis. The authorities and boards co-operate closely with local authorities responsible for social work, environmental health, education and other services. Family health services authorities (health boards in Scotland) arrange for the provision of services by doctors, dentists, pharmacists and opticians, as well as administering their contracts. Community health councils (local health councils in Scotland) represent local opinion on the health services provided.

In Northern Ireland health and social services boards are responsible for all health and personal social services in their areas. The representation of public opinion on these services is provided for by area health and social services councils.

Finance

Over 80 per cent of the cost of the health service in Great Britain is paid for through general taxation. The rest is met from the NHS element of National Insurance contributions—which are paid by employed people, their employers, and self-employed people—and from charges towards the cost of certain items such as drugs prescribed by family doctors, and general dental treatment. Health authorities may raise funds from voluntary sources. Certain hospitals increase their revenue by taking private patients who pay the full cost of their accommodation and treatment.

Almost 80 per cent of medical prescription items are supplied free. Prescription charges do not apply to the following:

- children under 16 years (or students under 19 and still in full-time education);
- expectant mothers and women who have had a baby in the last year;
- women aged 60 and over and men aged 65 and over;
- patients suffering from certain medical conditions;
- war and armed forces disablement pensioners (for prescriptions which relate to the disability for which they receive a war pension);

- people who are receiving income support or family credit (see p 146); and people or families with low incomes.

There are proportional charges for all types of general dental treatment, including dental examination. However, women who were pregnant when the dentist accepted them for treatment or who have had a baby in the last year, anyone under the age of 18 (or 19 if in full-time education), people receiving income support or family credit, and families on low incomes do not have to pay. Sight tests are free to children, those on low incomes and certain other priority groups. Some disadvantaged groups receive help with the purchase, repair and replacement of spectacles.

Hospital medical staffs are salaried and may be employed full time or part time. Family practitioners (doctors, dentists, opticians and pharmacists) are self-employed and have contracts with the NHS. GPs are paid by a system of fees and allowances designed to reflect responsibilities, workload and practice expenses. Dentists providing treatment in their own surgeries are paid by a combination of capitation fees for treating children, continuing care payments for adults registered with the practice, and a prescribed scale of fees for individual treatments. Pharmacists dispensing from their own premises are refunded the cost of the items supplied, together with professional fees. Ophthalmic medical practitioners and ophthalmic opticians taking part in the general ophthalmic service receive approved fees for each sight test carried out.

Staffing

The NHS is one of the largest employers in the world, with a workforce of nearly 1 million people. During the last ten years there has been a rise in the numbers of 'direct care staff' and a corresponding fall in the numbers of support staff. The fall in the numbers of directly employed ancillary staff and of maintenance and works staff reflect the results of competitive tendering (see p 50). Staff costs account for two-thirds of total NHS expenditure and 70 per cent of current expenditure on hospitals and

community health services. In England between 1981 and 1990:

- the number of hospital medical consultants increased from 12,400 to 15,200;
- the number of junior hospital doctors increased from 20,800 to 23,500;
- the number of hospital dental staff rose to 2,100;
- the number of nursing and midwifery staff, who make up 50 per cent of the workforce, increased by 2.6 per cent (including agency staff); and
- the number of scientific, professional and technical staff rose by 20 per cent.

Health Service Commissioners

There are three posts of Health Service Commissioner (one each for England, Scotland and Wales) for dealing with complaints from members of the public about the health service. The three posts are held by the same person, who is also the Parliamentary Commissioner for Administration (Ombudsman), who reports annually to Parliament. The Health Service Commissioner can investigate complaints that a health authority, NHS trust or family health services authority has not carried out its statutory duties, has provided an inadequate service or, through maladministration, has caused injustice or hardship.

Complaints about clinical judgment, GPs, personnel matters and the use of a health authority's discretionary powers lie beyond the Health Service Commissioner's jurisdiction, and separate procedures exist for these. In Northern Ireland the Commissioner for Complaints has a similar role.

FAMILY HEALTH SERVICES

The family health services are those given to patients by doctors, dentists, opticians and pharmacists of their own choice. GPs provide the first diagnosis in the case of illness and either prescribe a suitable course of treatment or refer a patient to the more specialised services and hospital consultants.

About four-fifths of GPs in Britain work in partnerships or group practices, often as members of primary health-care teams. The teams also include health visitors and district nurses, and sometimes midwives, social workers and other professional staff employed by the health authorities. About a quarter of GPs in Great Britain and about half in Northern Ireland work in modern and well-equipped health centres, where medical and nursing services are provided. Health centres may also have facilities for health education, family planning, speech therapy, chiropody, assessment of hearing, physiotherapy and remedial exercises. Dental, pharmaceutical and ophthalmic services, hospital out-patient and supporting social work services may also be provided.

There have been substantial increases in primary health care staff in recent years. For example, in England and Wales between 1980 and 1991, the number of GPs increased by 18 per cent (to 29,700), and average patient list size fell by 13 per cent (to 1,900), while the number of family dentists increased by 26 per cent (to 16,400). The number of GP practice nurses has increased more than tenfold—from 900 in 1978 to 9,950 in 1991.

Special funds have been earmarked by the Government for improving the quality of primary health care in inner city areas. Efforts have also been made to improve health services for black and ethnic minority groups. These include new health projects in Britain's Chinese communities, and increased central funding for health information material to be produced in many minority languages.

The Government has welcomed a recent report which recommends ways in which the role of community pharmacists could be developed to increase their contribution to health care.

Eye Services

Entitlement to free NHS sight tests is restricted to people on low incomes, children and those with particular medical needs. Spectacles are supplied by registered ophthalmic and dispensing opticians but unregistered retailers may also sell spectacles

to most adults. Children, people on low incomes and those requiring certain complex lenses receive a voucher to put towards the cost of their spectacles.

Recent Developments

GP Fundholders

Under the NHS and Community Care Act 1990 GP practices with 9,000 patients or over may apply for fundholding status. (From April 1993 this figure will fall to 7,000 patients.) This is a voluntary scheme which gives larger medical practices the opportunity to manage sums of NHS money for the benefit of their patients. It aims to improve services for patients and enable GPs to explore more innovative methods of providing health care. GP fundholders are responsible for part of their own NHS budgets, enabling them to buy certain non-urgent hospital services. Prescription charges and part of the cost of running the practice are also covered. Fundholders may negotiate for services directly with hospitals from both public and private sectors in any district or regional health authority in Britain. By April 1992 over 3,000 GPs in about 600 practices in England had become fundholders, covering nearly 6.7 million people, or 14 per cent of the population. A further 2,500 GPs in some 600 practices are preparing to join the scheme in April 1993. From April 1993 the scheme will be expanded to enable GP fundholders to buy district nursing and health visiting services from NHS community units.

Contracts

A new performance-related contract for GPs came into effect in 1990, the first major reform of the family doctor service for over 20 years. It is designed to raise standards of care, extend the range of services available to patients and improve patient choice. The changes are intended to make it easier for patients to see their GP at times convenient to them and easier for patients to change doctors; and to encourage doctors to practise more preventive medicine.

A new contract for dentists was introduced

in 1990 aimed at improving care and providing more information to patients about general dental services. As a result NHS dental care now includes preventive care as well as restorative treatment. All adult patients are now offered 'continuing care', and dentists are encouraged to practise more preventive dentistry for children. There are also incentives for dentists to undertake further training.

Medical Audit

Medical audit, which is the systematic, critical analysis by doctors at all levels in the health service of the quality of the medical care they give their patients, including the procedures used for diagnosis and treatment, the use of resources and the resulting outcome, has been introduced in all health authorities. In 1991-92 the Government allocated £46 million to continue to develop medical audit in the hospital and community health services.

Health Visitors, District Nurses and Midwives

Health visitors are responsible for the preventive care and health education of families, particularly those with young children. They work closely with GPs, district nurses and other professions. District nurses give skilled nursing care to people at home or elsewhere outside hospital; they also play an important role in health promotion and education. Although almost all babies are born in hospital, some antenatal care and most postnatal care is given in the community by midwives and GPs, who also care for women having their babies at home. Midwives are responsible for educating and supporting women and their families during pregnancy and childbirth.

HOSPITALS AND SPECIALIST SERVICES

A full range of hospital services is provided by district general hospitals. These include treatment and diagnostic facilities for in-patients, day-patients and out-patients;

maternity departments; infectious disease units; psychiatric and geriatric facilities; rehabilitation facilities; and other forms of specialised treatment. There are also specialist hospitals or units for children, people suffering from mental illness, those with learning disabilities, and elderly people, and for the treatment of specific diseases. Examples of these include the world-famous Hospital for Sick Children, Great Ormond Street, and the Brompton Heart and Chest Hospital in London. Hospitals designated as teaching hospitals combine treatment facilities with training medical and other students, and research work.

Many of the hospitals in the NHS were built in the nineteenth century; some, such as St Bartholomew's and St Thomas' in London, trace their origins to much earlier charitable foundations.

Much has been done to improve and extend existing hospital buildings and many new hospitals have been or are being opened.

Since 1979 in Great Britain over 600 health building schemes, each costing £1 million or more, have been completed. A further 400 schemes are at various stages of development. This is the largest sustained building programme in the history of the NHS.

Recent policy in England and Wales has been to provide a balanced hospital service centred around a district general hospital, complemented as necessary by smaller, locally based hospitals and facilities.

A new development in hospital planning in England and Wales is the nucleus hospital. This is designed to accommodate a full range of district general hospital facilities and is capable of being built in self-contained phases or as an extension to an existing hospital. By mid-1992, 83 nucleus hospitals had been completed. A further 56 are at various stages of construction or planning. Those already open have proved economical to build and are providing high-quality and cost-effective services to patients.

The world's first low-energy nucleus hospital, which is expected to use less than half the energy of a conventional nucleus

hospital, opened on the Isle of Wight in 1991, and another is being built in Northumberland.

The hospital service is now treating more patients a year than ever before. Between 1979 and 1990-91 lengths of stay for in-patients declined and the number of people treated as day patients more than doubled. Newer forms of treatment and diagnosis are being made more widely available. These include kidney dialysis, hip replacements, laser treatment and body scanning.

In 1986 the Government launched a drive to reduce hospital waiting lists and times. In 1992-93 £39 million is being invested in a variety of projects, including mobile operating theatres, to improve waiting times for patients. Preliminary figures show that the number of patients waiting between one and two years for treatment fell by nearly 40,000 or 33 per cent while the total waiting list dropped by over 33,000 or 3.5 per cent in 1991-92.

Community services such as the psychiatric nursing service, day hospitals, and local authority day centres have expanded so that more patients remain in the community and others are sent home from hospital sooner.

NHS Trusts

Under the NHS and Community Care Act 1990 hospitals and other health service units (for example, ambulance services and community health services) may apply to become independent of local health authority control and establish themselves as self-governing NHS trusts. These are run by boards of directors, and are free to employ their own staff and set their own rates of pay, carry out research and provide facilities for medical education and other forms of training. Self-governing NHS trusts derive their income mainly from NHS contracts to provide services to health authorities and GP fundholders. The trusts may treat private patients. All trusts must provide annual reports, and annual accounts modelled on commercial accountancy practices. By August 1992, 156 NHS trusts had been established.

Private Medical Treatment

The Government's policy is for the NHS and the independent sector to co-operate in meeting the nation's health needs. It believes that this will benefit the NHS by adding to the resources devoted to health care and offering flexibility to health authorities in the delivery of services. Some health authorities share expensive facilities and equipment with private hospitals, and NHS patients are sometimes treated (at public expense) in the private sector to reduce waiting lists. The scale of private practice in relation to the NHS is, however, small.

It is estimated that about three-quarters of those receiving acute treatment in private hospitals or NHS hospital pay-beds are covered by health insurance schemes, which make provision for private health care in return for annual subscriptions. Over 3 million people subscribe to such schemes, half of them within group schemes, some arranged by firms on behalf of employees. Subscriptions often cover more than one person (for example, members of a family) and the total number of people covered by private medical insurance in Britain is estimated at over 6 million. The Government has introduced tax relief on private health insurance premiums paid by people aged 60 and over to encourage the increased use of private health facilities.

Many overseas patients come to Britain for treatment in private hospitals and clinics, and Harley Street in London is an internationally recognised centre for medical consultancy.

There is a growing interest in alternative therapies such as homoeopathy, osteopathy and acupuncture, which are mainly practised outside the NHS.

Organ Transplants

Over the past 25 years there have been significant developments in transplant surgery in Britain. The United Kingdom Transplant Support Service Authority provides a centralised organ matching and distribution service. During 1991, 1,690 kidney transplants were performed. A similar service exists for corneas, and in 1991, 2,226 were transplanted.

Heart transplant operations have been conducted at Papworth Hospital in Cambridgeshire and Harefield Hospital in London since 1979. There are six other heart transplant centres in England, while Scotland's first unit opened in Glasgow in late 1991.

A programme of combined heart and lung transplants is in progress and in 1991 over 280 heart and 81 heart-lung transplants were performed. The world's first combined heart, lungs and liver transplant operation was carried out at Papworth in 1987.

There are six liver transplant units in England and 419 liver transplants were performed in 1991. Scotland's first liver transplant centre is due to open in Edinburgh in November 1992. A voluntary organ donor card system enables people to indicate their willingness to become organ donors in the event of their death. Commercial dealing in organs for transplant is illegal.

Blood Transfusion

The blood transfusion service in England and Wales collects over 2 million donations of blood and over 133,700 donations of plasma each year from voluntary unpaid donors; in Scotland the figures are over 350,000 and over 18,000 respectively. Regional transfusion centres recruit donors and organise donor sessions in towns and villages, factories and offices, and within the armed forces. Donors are normally aged between 18 and 65. The centres are also responsible for blood grouping and testing, maintaining blood banks, providing a consultancy service to hospitals, teaching in medical schools, and instructing doctors, nurses and technicians.

The Central Blood Laboratories Authority is responsible for the manufacture of blood products as well as for research. There is also increasing emphasis on the most effective use of blood and, in particular, its separation into components such as plasma for specific uses. A laboratory at Elstree, Hertfordshire, was opened in 1987 with the aim of meeting the needs for all blood products in England and

Wales. Facilities in Scotland are being expanded to cope with rising demand.

Ambulance and Patient Transport Services

NHS emergency ambulances are available free of charge for cases of sudden illness or collapse, and for doctors' urgent calls. Rapid response services, in which paramedics use cars and motor cycles to reach emergency cases, have been introduced in a number of areas, particularly London and other major cities with areas of high traffic density. Helicopter ambulances serve many parts of England and in Scotland an air ambulance service is available in the islands and the remoter parts of the mainland.

Non-emergency patient transport services are available to NHS patients considered by their doctor (or dentist or midwife) to be medically unfit to travel by other means. The principle applied is that each patient should be able to reach hospital in a reasonable time and in reasonable comfort, without detriment to his or her medical condition. In many areas the ambulance service organises volunteer drivers to provide a hospital car service for non-urgent patients.

Rehabilitation

Rehabilitation begins at the onset of illness or of injury and continues throughout, with the aim of helping people to adjust to changes in lifestyle and to live as normally as possible. Rehabilitation services are available for elderly, young, disabled and mentally ill people, and those with learning disabilities who need such help to resume life in the community. These services are offered in hospitals, centres in the community and in people's own homes through co-ordinated work by a range of professional workers.

Medical services may provide free artificial limbs and eyes, hearing aids, surgical supports, wheelchairs, and other appliances. Following assessment, very severely physically handicapped patients may be provided with environmental control equipment which enables them to operate devices such as alarm bells, radios and

televisions, telephones, and heating appliances. Nursing aids may be provided on loan for use in the home.

Local authorities may provide a range of facilities to help patients in the transition from hospital to their own homes. These include the provision of aids, care from home helps, and professional help from occupational therapists and social workers. Voluntary organisations also provide help, complementing the work of the statutory agencies and widening the range of services.

Hospices

A number of hospices provide care for terminally ill people (including children), either directly in in-patient or day-care units or through nursing and other assistance in the patient's own home. Control of symptoms and psychological support for patients and their families form central features of the modern hospice movement, which started in Britain and is now worldwide. Some hospices are administered entirely by the NHS; the remainder are run by independent charities, some receiving support from public funds. The number of voluntary hospices has more than doubled in the past ten years; there are now over 100 in-patient units providing over 1,900 beds, and more than 150 day units offering some 1,500 places.

The Government is seeking to provide a level of public funding for the hospice movement which matches voluntary donations. In 1992-93, £31.7 million is being allocated to health authorities to enable them to offer increased support to hospices and similar organisations, while a further £5.5 million has been allocated to enable them to arrange for drugs to be supplied to hospices without charge. The National Council for Hospice and Specialist Palliative Care Services was launched in February 1992.

Parents and Children

Special preventive services are provided under the health service to safeguard the health of expectant mothers and of mothers with young children. Services include free dental treatment, dried milk and vitamins;

health education; and vaccination and immunisation of children against certain infectious diseases (see p 131). Pregnant women receive antenatal care from their GPs and hospital clinics, and women in paid employment have the right to visit the clinics during working hours. Some 99 per cent of women have their babies in hospital, returning home shortly afterwards to be attended by a midwife or health visitor and, where necessary, their GP.

The Government attaches great importance to improving the quality of maternity services, and to making them more responsive to women's wishes on how care is provided. The perinatal mortality rate (the number of stillbirths and deaths in the first week of life) has fallen in England and Wales from 14.7 per 1,000 births in 1979 to 8 per 1,000 births in 1991—its lowest recorded level. Similar reductions have occurred in Scotland and Northern Ireland.

A comprehensive programme of health surveillance is provided for pre-school children in clinics run by the community health authorities, and increasingly by GPs. This enables doctors, dentists and health visitors to oversee the physical and mental health and development of pre-school children. Information on preventive services is given and welfare foods are distributed. The school health service offers health care and advice for schoolchildren, including medical and dental inspection and treatment where necessary.

Child guidance and child psychiatric services provide help and advice for children with psychological or emotional problems.

In recent years special efforts have been made to improve co-operation between the community-based child health services and local authority social services for children. This is particularly important in the prevention of child abuse and for the health and welfare of children in care.

Human Fertilisation and Embryology

The world's first 'test-tube baby' was born in Britain in 1978, as a result of the technique of in vitro fertilisation. This opened up new horizons for helping with problems of

infertility and for the science of embryology. The social, ethical and legal implications were examined by a committee of inquiry under Baroness Warnock, which reported in 1984. There was general consultation on the Warnock Report and government policy was set out in a White Paper in 1987, which was followed by the Human Fertilisation and Embryology Act 1990. The Act provided for:

- the establishment of the Human Fertilisation and Embryology Authority (HFEA) to control and license centres providing certain infertility treatments and centres undertaking human embryo research and storage of gametes and embryos;
- research to be permitted on embryos for up to 14 days after fertilisation;
- the legal status and rights of children born as a result of in vitro fertilisation and techniques involving donation; and
- the clarification of the legal position on surrogate motherhood (the practice where one woman bears a child for another).

The HFEA maintains a code of practice giving guidance about licensed centres and must report annually to Parliament.

These provisions constitute one of the most comprehensive pieces of legislation on assisted reproduction and embryo research in the world.

Legislation to ban commercial surrogacy agencies, and advertising of or for surrogacy services, was passed in 1985.

Family Planning

Free family planning advice and treatment are available to women from family doctors and from health authority family planning clinics, which also make services available to men. Family planning is one of the key areas covered by the White Paper *The Health of the Nation* (see p 117).

Abortion

The Abortion Act 1967, as amended in 1990, allows the ending of a pregnancy of up to 24 weeks by a doctor if two doctors consider

that continuing the pregnancy would involve greater risk of injury to the physical or mental health of the woman (or to any existing children of the family) than having an abortion. There are three categories in which no time limit applies: where there is a risk of grave permanent injury to the physical or mental health of the woman; where there is a substantial risk of fetal handicap; or where continuing the pregnancy would involve a risk to the life of the pregnant woman greater than that of the pregnancy being terminated.

The Act does not apply in Northern Ireland.

Drug Misuse

The misuse of dangerous drugs, such as heroin, cocaine and amphetamines, is a serious social and health problem, and the Government has made the fight against such misuse a major priority. Its strategy comprises action to reduce the supply of illicit drugs from abroad; to promote more effective law enforcement by the police and Customs services; and to maintain tight controls on medicinal drugs that can be misused. It also includes action to maintain effective deterrents against misuse; to develop effective programmes to treat and rehabilitate misusers; and to prevent people who are not misusers from starting, by means of educational programmes and publicity campaigns.

Research on various aspects of drug misuse is funded by several government departments. The Government is advised on a wide range of matters relating to drug misuse and connected social problems by the Advisory Council on the Misuse of Drugs.

Drug Statistics

Recent drug statistics show that between 1990 and 1991:

- the number of notified drug addicts increased by 17 per cent (to 21,000);
- the proportion addicted to heroin fell from 80 per cent to 70 per cent; those reported to be dependent on methadone

increased from 30 per cent to 40 per cent (this figure includes those receiving methadone by prescription as part of a course of treatment); under 10 per cent were reported to be addicted to cocaine; and

- the proportion of addicts injecting drugs fell from 65 per cent to 59 per cent.

Prevention

The Government began a major national publicity campaign in 1985 to persuade young people not to take drugs, and to advise parents, teachers and other professionals on how to recognise and combat the problem. Subsequent phases of the campaign have warned of the dangers of heroin misuse and of the risks of transmitting HIV, the virus which causes AIDS (see p 129), through the sharing of injecting equipment. In 1991–92 the focus of the campaign changed to give greater emphasis to locally-based campaigns; the total cost of the campaign was £4 million.

The Drug Prevention Initiative has provided funding for the establishment of local drug prevention teams in 20 areas in England, Scotland and Wales. Their task is to strengthen community resistance to drug misuse. The total budget for the initiative is £5.5 million in 1992–93. Separate measures have been introduced in Scotland to discourage drug misuse through publicity, campaigns and action in the education service and the community.

The Government continues to make funds available for local education authorities in England and Wales to appoint staff to promote and co-ordinate preventive work in their areas, especially for anti-drug misuse work in schools. As part of the National Curriculum (see p 155), children in primary and secondary schools receive education on the dangers of drug misuse.

Treatment and Rehabilitation

A total of £17.5 million over the three years 1988–89 to 1990–91 was spent on the development of services for drug misusers. Additional sums have been made available since 1986–87 through the health authorities

in England for the expansion of services for drug misusers, rising to nearly £17.2 million in 1992-93. A further grant of £2.1 million in 1992-93 is intended to help local authorities to develop voluntary sector services for drug as well as alcohol misusers. Similar projects are in progress in Wales and in Scotland, where over £2 million is made available annually to health boards for the support of drug misuse services. To reduce the spread of AIDS a number of trial schemes are in progress, offering drug misusers counselling and the exchange of clean for used syringes and needles.

Treatment for drug dependence is provided mainly on an outpatient basis. Many hospitals provide specialist treatment for drug misusers, mainly in psychiatric units, or have special drug treatment units. An increasing number of GPs also treat drug misusers, but only certain specialist doctors are licensed to prescribe heroin, cocaine and dipipanone (Diconal). All doctors must notify the authorities of any patient they consider to be addicted to certain controlled drugs, and guidelines on good medical practice in the treatment of drug misuse have been issued to all doctors in Great Britain. The Home Secretary has statutory powers for dealing with doctors found to have prescribed irresponsibly.

Other Sources of Provision

A number of non-statutory agencies work with and complement the health service provision. Advice and rehabilitation services including residential facilities, for example, are provided mainly by voluntary organisations. Support in the community is provided by the probation service and local social services departments.

Solvent Misuse

Action is also being taken by the Government to curb the problem of solvent misuse (the breathing in of vapour from glue, lighter fuel and other substances to achieve a change in mental state) by young people. There were 149 deaths as a result of solvent abuse in 1990. In England and Wales it is an offence

to supply such substances to children under 18 if the supplier knows or has reason to believe they are to be used to cause intoxication. Government policy is directed towards preventing solvent misuse through the education of young people, parents and professionals and, where practicable, restricting the sales of solvent-based liquefied gas and aerosol products to young people. In February 1992 the Government launched a national publicity campaign on solvent misuse intended to raise parental awareness of the problem.

Smoking

Cigarette smoking is the greatest preventable cause of illness and death in Britain. It accounts for around 110,000 premature deaths and 30 million lost working days each year, and costs the NHS an estimated £500 million a year for the treatment of diseases caused by smoking (for example, heart disease, lung cancer and bronchitis). In addition, smoking by pregnant women can cause low birth weight in infants. The Government is following an active health education policy supported by voluntary agreements with the tobacco industry aimed at reducing the level of smoking.

The most recent figures show that the number of adults who smoke is continuing to fall, from 32 per cent in 1988 to 30 per cent in 1990.

Health Education

The Government aims to reduce adult smoking from 30 per cent to 20 per cent by the year 2000. A further aim is to reduce smoking by young people by one-third between 1988 and 1994. A £2 million a year campaign directed at those aged 11 to 15 started in late 1989 and is planned to last until 1994. In late 1991 the Government launched a £1 million campaign over two years to alert women to the dangers of smoking during pregnancy.

Education on the harmful effects of smoking is included in the National Curriculum for all pupils in publicly maintained schools in England and Wales.

The Government also supports the work of the voluntary organisation Action on Smoking and Health (ASH), whose services include a workplace services consultancy, offering advice and help to employers in formulating smoking policies. The Government is committed to creating a smoke-free environment, with facilities where appropriate for those who wish to smoke, by encouraging suitable smoking policies in public places. In 1991 it published a code of practice on smoking in public places. Health authorities have been asked to promote non-smoking as the normal practice in health service buildings and to give help and advice to people who want to give up smoking. The Independent Scientific Committee on Smoking and Health estimated that 'passive smoking', especially in the workplace and the home, may cause several hundred deaths through lung cancer every year.

Voluntary Agreements

Voluntary agreements between the Government and the tobacco industry regulate the advertising and promotion of tobacco products, and sports sponsorship by the industry. The agreement on tobacco advertising provides for the use on posters of six different health warnings about the dangers of smoking and contains measures to protect groups at particular risk, such as children, young people and women in early child-bearing years. Under the revised agreement, which came into force in 1992, new tougher health warnings now appear on tobacco advertising, and shopfront advertising is to be reduced by 50 per cent by 1996. The voluntary agreement on sports sponsorship covers levels of spending, restrictions on sponsorship of events chiefly for spectators under 18 years and controls over the siting of advertising at televised events.

Legislative Measures

It is illegal to sell any type of tobacco product to children. Legislation introduced in 1992 has increased the maximum fine from £400 to £2,500. All tobacco advertising is banned on television and cigarette

advertisements are banned on radio. In 1991 Britain voted to ban oral snuff products throughout the European Community. This measure is expected to be implemented later in 1992.

Alcohol Misuse

The far-reaching effects of alcohol misuse in terms of illness, family break-ups, inefficiency at work, loss of earnings, accidents and crime are widely acknowledged. The Government considers that the reduction of such misuse requires a range of action by central and local government, voluntary and community bodies, the health professions, the drinks industry, employers and trade unions. It believes that emphasis should be placed on policies to prevent alcohol misuse and continues to seek better information about the causes of problem drinking. It also seeks to encourage healthier lifestyles, and to provide earlier help for the problem drinker.

Treatment and rehabilitation include in-patient and out-patient services in general and psychiatric hospitals and specialised alcoholism treatment units. Primary care teams (GPs, nurses and social workers) and voluntary organisations providing hostels, day centres and advisory services also play an important role.

There is close co-operation between statutory and voluntary organisations. The national voluntary agency Alcohol Concern, which is receiving a government grant of some £612,000 for 1992-93, plays a prominent role in the prevention of misuse, training for professional and voluntary workers, and improving the network of local voluntary agencies and their collaboration with statutory bodies. In 1990 Alcohol Concern launched a workplace advisory service with initial government funding of £100,000 as part of a campaign to persuade companies that alcohol misuse is an industrial as well as a social problem. From 1990-91 to 1993-94 a total government contribution of £6 million is being allocated to Alcohol Concern for improving and extending the network of advisory and counselling services. An additional grant of £2.1 million is being paid to local authorities during 1992-93. This

is to assist voluntary agencies in improving and extending residential provision for alcohol and drug misusers. The Scottish Council on Alcohol undertakes similar work in Scotland. Research and surveys on various aspects of alcohol misuse are funded by several government departments.

In 1987 the Government established an interdepartmental group to develop strategy for combating the misuse of alcohol. Measures taken include legislative changes as well as steps to secure better health education and more effective action by local services and organisations. In 1988 the law banning the sale of alcohol to people under 18 years was strengthened and stricter controls on alcohol advertising were introduced. Independent television restricts the advertising of alcohol in programmes aimed at young people.

In 1989 the Government announced increased funding for the Health Education Authority's expanded alcohol education programme. This aims to reduce the harm caused by the misuse of alcohol by promoting sensible drinking as part of a healthy way of life. It also seeks to develop a climate of opinion which favours appropriate measures to prevent alcohol-related harm. Alcohol misuse co-ordinators have been appointed in each of the 14 regional health authorities in England with the aim of developing strategies to counter the misuse of alcohol.

AIDS

The number of cases of AIDS reported in Britain continues to rise: by the end of June 1992 the cumulative total of reported cases of AIDS was 6,111, of whom 3,813 (62 per cent) had died; the cumulative total of recognised HIV infections was 17,770. Recent statistics show a steady increase in the number of AIDS cases among injecting drug users and people infected through heterosexual intercourse.

The Government Strategy

The Government has a comprehensive strategy to control the spread of HIV in Britain, and to provide diagnostic and treatment facilities and counselling and

support services for those infected or at risk. The five main elements are:

- to limit the spread of HIV infection through public awareness campaigns, community-based prevention initiatives, and improved infection control procedures;
- to improve understanding of the nature of HIV infection, how it is transmitted, and how HIV-related illness can be prevented and treated;
- to provide appropriate diagnostic treatment, care and support services for those affected by HIV;
- to encourage understanding and compassion, discourage discrimination and safeguard confidentiality, within the wider context of public health requirements; and
- to foster exchange of information between countries, and to persuade against coercive and discriminatory measures.

Public Education Campaigns

The first major public education campaign on AIDS was launched in 1987, aimed at increasing awareness and knowledge and encouraging changes in behaviour. Campaigns are now administered by the Health Education Authority (see p 131), using the mass media and supporting educational work aimed at the general public and specific sections of the population. A National AIDS helpline was established in support of the AIDS public education campaign, operating 24 hours a day. By the end of 1992-93 the Government will have allocated over £73 million to this work. National campaigns are supplemented by local HIV prevention initiatives run by health and local authorities and the voluntary sector. Extra funds have been allocated for this work, which is led by district prevention co-ordinators. The Government continues to spend more on HIV/AIDS health education than on any other single health education programme.

A priority in 1992-93 is to ensure that health education messages reach people from

black and other ethnic minority groups more effectively, and that access to services is improved.

Funding for Services

The Government continues to make additional funding available to health authorities and local authorities for treatment and advisory services, needle exchange schemes for drug misusers (see p 127) and training staff. In 1992–93, £181.5 million is being provided to health authorities and £15.3 million to local authorities towards the costs of providing HIV-related services. Government grants of £76 million have been allocated to the Macfarlane Trust to help haemophiliacs in Britain who have become infected with HIV as a result of treatment with infected blood products. Anonymous and voluntary named screening tests for HIV began in 1990. The first results of anonymised testing carried out in sexually transmitted disease clinics and in antenatal clinics indicated a high incidence of HIV in the London area. In response to this the Government has set up an AIDS Action Group to look at, among other things, ways of improving prevention work and access to services for particular groups.

Research

The Medical Research Council's (MRC) AIDS-directed programme was founded in 1987 to develop a vaccine against HIV and drugs to treat people infected with the virus. Government funding for the MRC's work will have amounted to £66 million by the end of 1992–93.

A new drug, zidovudine—Retrovir (AZT)—which prolongs survival in patients with AIDS and may delay disease progression in people infected with HIV, was developed by a British pharmaceutical company. The drug was licensed for use in HIV-infected individuals in 1987.

Voluntary Agencies

A number of voluntary agencies receive financial support from the Government

(almost £2 million in 1992–93). Among them, the Terrence Higgins Trust, London Lighthouse and the Scottish AIDS Monitor promote knowledge about the disease and help people with AIDS and HIV. Both London Lighthouse and the Mildmay Mission Hospital, in London, provide hospice care and community support.

International Co-operation

Britain gives high priority to international efforts to reduce the spread of HIV and AIDS. The Government fully supports the work of the World Health Organisation (WHO) in co-ordinating international action, and has committed £26 million to the WHO's Global Programme on AIDS, which is helping developing countries to establish and develop national AIDS control programmes. Britain has also pledged £8.2 million in support of WHO-co-ordinated national programmes in Commonwealth African and Asian countries and in Britain's Caribbean Dependent Territories.

Other assistance includes a grant of nearly £3 million over six years to the International Planned Parenthood Federation for AIDS-related activities; and some £3 million for research into the demographic, behavioural, social and economic aspects of AIDS in the developing world. Assistance amounting to nearly £1 million has also been provided under a joint funding scheme to British-based non-governmental organisations for small AIDS-related projects in developing countries.

Infectious Diseases

District health authorities (health boards in Scotland) carry out programmes of immunisation against diphtheria, measles, mumps, rubella, poliomyelitis, tetanus, tuberculosis and whooping cough. A new combined vaccine against measles, mumps and rubella introduced in 1988 replaced that for measles for children in the second year of life. A new vaccine, 'Hib', was introduced in October 1992, offering protection against invasive haemophilus disease, a major cause of meningitis in children under five years.

Immunisation is voluntary, but parents are encouraged to protect their children. The proportion of children being vaccinated has been increasing since the end of 1978. In 1990 the Government introduced special payments to GPs who achieve targets of 70 and 90 per cent uptake of child immunisation. The response to these targets has been encouraging in many areas and the Government estimates that 90 per cent of GPs now earn bonus payments for meeting such targets.

The Public Health Laboratory Service provides a network of bacteriological and virological laboratories throughout England and Wales which conduct research and assist in the diagnosis, prevention and control of communicable diseases. Microbiological work in Scotland and Northern Ireland is carried out mainly in hospital laboratories.

Cancer Screening

Breast cancer accounts for some 13,000 deaths in England each year. To help combat this, the Government has set up a breast cancer screening service for all women aged between 50 and 64. The aim of the programme is to reduce breast cancer deaths among women invited for screening by 25 per cent by the year 2000. All eligible women in England and Wales should have been invited for mammography screening by March 1993 (and in Scotland and Northern Ireland by 1994).

About 1,700 women die each year in England from cancer of the cervix. The cervical screening programme aims to reduce such deaths by inviting women at risk to be screened regularly. All district health authorities in England have computerised call and recall systems, which enable all women aged between 20 and 64 to be invited regularly for cervical cancer screening. Similar arrangements apply in Wales, Scotland and Northern Ireland. Special payments are made to GPs who achieve uptake targets of 50 and 80 per cent.

Health Education

In England health education is promoted by

the Health Education Authority, a part of the NHS with the major executive responsibility for public education in Britain about AIDS (see p 129). In addition, in England the Authority's functions are to:

- advise the Government on health education;
- plan and carry out health education programmes in co-operation with health authorities and other bodies; and
- sponsor research and evaluation.

It also assists in the provision of training, and provides a national centre of information and advice on health education. Major campaigns carried out by the Authority include those that focus on coronary heart disease (represented by the Look After Your Heart initiative), smoking and alcohol misuse. The Government has allocated some £34 million to the Authority for health education in England for 1992-93.

In Wales health education is undertaken by the Welsh Health Promotion Authority. The Health Education Board for Scotland and the Northern Ireland Health Promotion Agency are responsible for health education in their areas.

Almost all health authorities have their own health education service, which works closely with health professionals, health visitors, community groups, local employers and others to determine the most suitable local programmes. Increased resources in the health service are being directed towards health education and preventive measures.

Healthier Eating

There has been growing public awareness in recent years of the importance of a healthy diet. Following recommendations issued by the Committee on Medical Aspects of Food Policy (COMA), the Government has advised people to reduce their intake of fats, particularly saturated fats, sugar and salt, since this could help to reduce the possibility of cardiovascular disease.

Nutritional labelling indicating the energy, fat, protein and carbohydrate content of food is being encouraged on a voluntary basis.

Some supermarket chains have already introduced voluntary labelling schemes.

To help people reduce their fat intake, the Government has issued guidelines on the labelling of food to show nutrient content in a standard format.

Current work by COMA includes a review of the relationship between diet and cardiovascular disease; and matters relating to the nutrition of infants, children and the elderly. In 1989 the Committee issued a report on the role of dietary sugars in human disease and on the diets of schoolchildren. In 1991 it published a major report containing comprehensive information on recommended personal intakes of food energy and nutrients.

The four health promotion departments in Britain have all run public information campaigns promoting healthy eating.

ENVIRONMENTAL HEALTH

Environmental health officers employed by local authorities are responsible for the control of air pollution and noise, and food hygiene and safety. Their duties also cover the occupational health and safety aspects of a variety of premises, including offices and shops; the investigation of unfit housing; and in some instances refuse collection and home safety. Doctors who specialise in community medicine and are employed by the health authorities advise local authorities on the medical aspects of environmental health, infectious diseases and food poisoning. They may also co-operate with the authorities responsible for water supply and sewerage. Environmental health officers at ports and airports carry out duties concerned with shipping, inspection of imported foods and disease control. In Northern Ireland district councils are responsible for noise control; collection and disposal of refuse; clean air; and food composition, labelling and hygiene.

Safety of Food

It is illegal to supply food unfit for human consumption or to apply any treatment or process to food which makes it harmful to

health. Places where food or drink is prepared, handled, stored or sold must conform to certain hygiene standards. Environmental health officers may take for examination samples of any food on sale or being distributed. Special regulations control the safety of particular foods such as milk, meat, ice-cream and shellfish. The Food Safety Directorate was established within the Ministry of Agriculture, Fisheries and Food in 1989, to maintain the safety and quality of Britain's food supplies. The Directorate works closely with the Department of Health, which is responsible for the public health aspects of food safety. A consumer panel gives consumers a direct means of conveying their views on food safety and consumer protection issues to the Government.

Expert committees advise the Government on microbiological and chemical food safety, novel foods and processes, and veterinary products. The independent Advisory Committee on the Microbiological Safety of Food, for example, assesses the risks to human health from micro-organisms in food and drink and recommends action where appropriate.

The Food Safety Act 1990 emphasises food safety and consumer protection throughout the food chain. The Act applies to England, Wales and Scotland, introducing more effective powers and greatly increased penalties for offenders. Food companies must show that they have taken all reasonable precautions in manufacture, transport, storage and preparation. Special regulations govern the temperatures at which foods such as cooked meats should be stored. Separate, but similar, legislation exists in Northern Ireland.

SAFETY OF MEDICINES

The health and agriculture ministers are responsible for the licensing of medicines for human and veterinary use. The Medicines Commission advises the ministers on policy. The Committees on Safety of Medicines and on Dental and Surgical Materials and on the Review of Medicines advise on the safety and quality of medicinal products for human use. Both Committees also monitor adverse reactions to drugs. Legislation also controls

the advertising, labelling, packaging, distribution, sale and supply of medicinal products.

RESEARCH

In 1991–92 the Department of Health in England spent about £22.3 million on health research, in addition to expenditure by the Medical Research Council (the main government agency for the support of biomedical and clinical research—see Chapter 21). Priority areas include research into AIDS, primary health care, community care and child care, the NHS and personal social services staffing, public health and the NHS acute sector. Future priorities will take account of the *Health of the Nation White Paper* (see p 117).

For England and Wales the Director of Research and Development at the Department of Health advises ministers on all aspects of health research. In Scotland the directly funded programme is administered by the Chief Scientist of the Scottish Office Home and Health Department.

The strategy for the NHS research and development programme aims to ensure that health service care is based on high-quality research relevant to improving the health of the nation. The programme is managed by the regional health authorities, which are developing their own research plans. It is intended that up to 1.5 per cent of NHS expenditure will be used for research and development by 1997.

The Department of Health is involved in international research and development, and takes part in the European Community's medical and public health research programme.

THE HEALTH PROFESSIONS

Doctors and Dentists

Only people on the medical or dentists' registers may practise as doctors or dentists in the NHS. University medical and dental schools are responsible for teaching; the NHS provides hospital facilities for training. Full registration as a doctor requires five or six years' training in a medical school and

hospital, with a further year's experience in a hospital. For a dentist, five years' training at a dental school is required. The regulating body for the medical profession is the General Medical Council and for dentists, the General Dental Council. The main professional associations are the British Medical Association and the British Dental Association.

Nurses

The minimum period of training required to qualify for registration as a first level nurse in general or mental health, mental handicap, or children's nursing is normally three years. Midwifery training for registered general nurses takes 18 months, and for other student midwives three years. Health visitors are registered general nurses who have completed a one-year course in health visiting. District nurses are registered general nurses who practise within the community. They must complete a six-month course followed by a period of supervised practice in district nursing.

Project 2000 is a scheme to reform the education of nurses, designed to make training more attractive and to give nurses a broader based education, enabling them to work in hospitals or the community without extensive further training. In 1992–93 the Government is allocating £98 million to fund the scheme in England, where a total of 64 colleges now offer Project 2000 courses; comparable arrangements are being made in other parts of Britain.

The United Kingdom Central Council for Nursing, Midwifery and Health Visiting is responsible for regulating and registering these professions.

Pharmacists

Pharmacists in general practice and in hospital must be registered with the Royal Pharmaceutical Society of Great Britain or the Pharmaceutical Society of Northern Ireland. A three-year degree course approved by the Society followed by a year's approved training is necessary before registration. Most medicines can be supplied

to customers only by, or under the supervision of, a registered pharmacist.

Opticians

The General Optical Council regulates the professions of ophthalmic optician and dispensing optician. Only registered ophthalmic opticians (or registered ophthalmic medical practitioners) may test sight. Training of ophthalmic opticians takes four years, including a year of practical experience under supervision. Dispensing opticians take a two-year full-time course with a year's practical experience or follow a part-time day-release course while employed with an optician.

Other

State registration may also be obtained by chiropodists, dietitians, medical laboratory scientific officers, occupational therapists, orthoptists, physiotherapists and radiographers. The governing bodies are seven boards, corresponding to the professions, under the general supervision of the Council for Professions Supplementary to Medicine. Training lasts one to four years and only those who are state registered may be employed in the NHS and some other public services.

Dental therapists (who have taken a two-year training course) and dental hygienists (with a training course of about a year) may carry out some simple dental work under the supervision of a registered dentist.

In 1990 a new group of NHS staff—health care assistants—began work in hospitals and the community. They are intended to support the work of more highly qualified staff.

ARRANGEMENTS WITH OTHER COUNTRIES

The member states of the European Community have special health arrangements under which Community nationals resident in a member state are entitled to receive emergency treatment, either free or at a reduced cost, during visits to other Community countries. There are also

arrangements to cover people who go to work or live in other Community countries. In addition, there are reciprocal arrangements with some other countries under which medical treatment is available to visitors if required immediately. Visitors are generally expected to pay if the purpose of their visit is to seek medical treatment. Visitors who are not covered by reciprocal arrangements must pay for any medical treatment they receive.

Personal Social Services

Personal social services assist elderly people, disabled people and their carers, children and young people, and families. Major services include skilled residential and day care, help for people confined to their homes and the various forms of social work. The statutory services are provided by local government social services authorities in England and Wales, social work departments in Scotland and health and social services boards in Northern Ireland. Alongside these providers are the many and varied contributions made by independent voluntary services. Much of the care given to elderly and disabled people is provided by families and self-help groups.

Demand for these services is rising because of the increasing number of elderly people and because groups such as the elderly, the disabled, and mentally ill people, or those with learning disabilities, can lead more normal lives in the community, given suitable support and facilities. The share of health authority resources devoted to community care services increased from 8.4 per cent in 1978–79 to just over 13 per cent in 1990–91.

Management Reforms

New policies on community care in England, Wales and Scotland are being implemented in stages under the NHS and Community Care Act 1990. Many of the procedures which local authorities will be implementing correspond to similar procedures being introduced in the NHS. Local authorities will increasingly act as enablers and commissioners of services on an assessment of their populations' needs for social care.

TOWN TWINNING

Town twinning is a way for people from different European countries to meet and exchange ideas, and to experience a different way of life. Potters Bar, Hertfordshire, is twinned with Viernheim in Germany.

Potters Bar Town Twinning Association marches through the town with a band from Viernheim.



An old red British telephone box given to the people of Viernheim by Potters Bar is unveiled by the mayor, Councillor Eric Muddle.

BRITAIN'S DEPENDENT TERRITORIES

Hong Kong is one of the world's largest trading economies and a major financial centre.



Bermuda's location, climate, scenic beauty and beaches have played a vital part in the development of tourism, which is its main source of revenue.





Almost all the land on the Falkland Islands is covered with natural pasture, which is devoted mainly to sheep ranching for the production of wool.



Following the reopening of the border with Spain in the mid-1980s, Gibraltar has become a popular tourist destination.

THE VOLUNTARY SECTOR



The Jubilee Sailing Trust runs sailing holidays for physically handicapped and able-bodied adults aboard a specially equipped ship.



The Abbeyfield Society manages family-sized houses for elderly people. They come together for main meals, but essentially lead their own lives.

- Since April 1991 inspection units have been responsible for inspecting local authority as well as independent residential care homes.
- Since April 1991 local authorities have had to have procedures for dealing with complaints about their social services.
- Since April 1992 local authorities have been obliged to produce community care plans after wide consultation with the NHS and other interests.
- In April 1993 new procedures for assessing individuals' care needs and commissioning services to meet them will be introduced.

Local authorities will then become responsible for funding and arranging social care in the community. This will include the provision of home helps or home care assistants to support people in their own homes, and making arrangements for residential and nursing home care for those no longer able to remain in their own homes.

Elderly People

Between 1978–79 and 1989–90 total spending on health services for elderly people increased by 43 per cent and net spending on social services by 48 per cent in real terms. (About 5 per cent of those aged 65 or over live in residential homes.)

Services for elderly people are designed to help them live at home whenever possible. These services may include advice and help given by social workers, domestic help, the provision of meals in the home, sitters-in, night attendants and laundry services as well as day centres, lunch clubs and recreational facilities. Adaptations to the home can overcome a person's difficulties in moving about, and a wide range of aids is available for people with difficulties affecting their hearing or eyesight. Alarm systems have been developed to help elderly people obtain assistance in an emergency. In some areas 'good neighbour' and visiting services are arranged by the local authority or a voluntary organisation.

Many local authorities provide free or subsidised travel for elderly people within

their areas. Social services authorities also provide residential home care for the elderly and those in poor health, and register and inspect homes run by voluntary organisations or privately.

As part of their responsibility for public housing, local authorities provide homes designed for elderly people; some of these developments have resident wardens. Housing associations and private builders also build such accommodation.

Disabled People

Britain has an estimated 6 million adults with one or more disabilities, of whom around 400,000 (7 per cent) live in communal establishments. Over the past ten years there has been increasing emphasis on rehabilitation and on the provision of day, domiciliary and respite support services to enable disabled people to live independently in the community wherever possible.

Local social services authorities help with social rehabilitation and adjustment to disability. They are required to identify the number of disabled people in their area and to publicise services, which may include advice on personal and social problems arising from disability, as well as occupational, educational, social and recreational facilities, either at day centres or elsewhere. Other services provided may include adaptations to homes (such as ramps for wheelchairs, and ground-floor toilets); the delivery of cooked meals; and help in the home. In cases of special need, help may be given with installing a telephone or a television. Local authorities and voluntary organisations may provide severely disabled people with residential accommodation or temporary facilities to allow their carers relief from their duties. Specially designed housing may be available for those able to look after themselves.

Some authorities provide free or subsidised travel for disabled people on public transport, and they are encouraged to provide special means of access to public buildings. Special government regulations cover the provision of access for disabled people in the construction of new buildings.

The Independent Living Fund was set up

in 1988 to provide financial help to very severely disabled people who need paid domestic support to enable them to live in their own homes. During 1991–92 nearly 15,000 people received help from the Fund. The Fund, for which the Government is providing £77 million in 1992–93, will run until April 1993. After then people needing such help will be catered for under the mainstream arrangements for community care.

In 1991 the Government committed £3 million for a pilot scheme—the national disability information project—designed to improve information services for disabled people and their carers.

People with Learning Disabilities (Mental Handicap)

The Government's policy is to encourage the development of local services for people with learning disabilities and their families through co-operation between health and local authorities and voluntary and other organisations.

Local authority social service departments are the main statutory agency for planning and arranging services for people with learning disabilities. They provide such services as short-term care, support for families in their own homes, residential accommodation and various types of day care. The main aims of the services are to ensure that as far as possible people with learning disabilities can lead full lives in their communities and that no one is admitted to hospital unless it is necessary on health grounds.

The NHS provides alternative services where the general health needs of people with learning difficulties cannot be met by ordinary NHS services, and residential care for those with severe disabilities or whose needs can only effectively be met by the NHS.

Mentally Ill People

Government policy aims to ensure that people with mental illnesses should have access to all the services they need as locally

as possible. These services should be based on a comprehensive network of health and social services facilities in each district. They should be community based and easily accessible.

In England between 1981 and 1991:

- the number of community psychiatric nurses more than trebled (to 3,600); and
- places in day hospitals increased by 75 per cent (to 22,700);

Between 1979 and 1991:

- places in local authority residential homes grew by over 25 per cent (to 4,500); and
- local authority day centre places more than doubled to 15,100.

Arrangements made by social services authorities for providing preventive care and after care for mentally ill people in the community include day centres, social centres and residential care. Social workers help patients and their families with problems caused by mental illness. In some cases they can apply for a mentally disordered person to be compulsorily admitted to and detained in hospital. The Mental Health Act Commission aims to provide improved safeguards for such patients. Similar arrangements apply in Scotland and Northern Ireland.

Since April 1991 district health authorities (health boards in Scotland) have been required to plan individual health and social care programmes for all patients leaving hospital and for all new patients accepted by the specialist psychiatric services. Other measures include a review of public funding of voluntary organisations concerned with mental health and a new grant (£31.4 million for 1992–93) to local authorities to encourage them to increase the level of social care available to mentally ill patients. A review of mental health nursing was announced in April 1992. A review of health and social services for mentally disordered offenders was completed in July 1992.

There are many voluntary organisations concerned with mental illness and learning disabilities, and these play an important role in the provision of services for both of these groups of people.

Help to Families

The Government believes in the central importance of the family to the well-being of society and considers that stable adult relationships are needed to support and enhance family life. Social services authorities, through their own social workers and others, give help to families facing special problems. This includes services for children at risk of injury or neglect who need care away from their own families, and support for family carers who look after elderly and other family members in order to give them relief from their duties. They also help single parents. There are now many refuges run by local authorities or voluntary organisations for women, often with young children, whose home conditions have become intolerable. The refuges provide short-term accommodation and support while attempts are made to relieve the women's problems. Many authorities also contribute to the cost of social work with families (such as marriage guidance) carried out by voluntary organisations.

The Self-help and Families Project provides funding for nine voluntary agencies to assist groups of families to help themselves.

The Government launched a three-year initiative in 1989 to increase voluntary sector provision in England for disadvantaged families with children under five. With funds of £2 million, it is enabling voluntary organisations to research and develop day care services, particularly for single parents and families living in temporary accommodation.

Child Care

Day care facilities for children under five are provided by local authorities, voluntary agencies and privately. In allocating places in their day nurseries and other facilities, local authorities give priority to children with special social or health needs. Local authorities also register childminders, private day nurseries and playgroups in their areas and provide support and advice services. A total of £1.5 million is to be made available to voluntary organisations over a period of three

years starting in 1992, to help the development of out-of-school services.

The authorities can offer advice and help to families in difficulties to promote the welfare of children. The aim is to act at an early stage to reduce the need to put children into care or bring them before a court.

Child Abuse

Cases of child abuse are the joint concern of many authorities, agencies and professions. Local review committees provide a forum for discussion and co-ordination and draw up policies and procedures for handling these cases. The Government established a central training initiative on child abuse in 1986. This consists of a variety of projects, including training for health visitors, school nurses, and local authority social services staff. Training packs have been drawn up for those concerned with implementing the Children Act 1989 (see below).

In England, Wales and Northern Ireland children under the age of 14 in child abuse cases are able to give evidence to courts through television links, thus sparing them from the need to give evidence in open court.

Children in Care

Local government authorities must provide accommodation for children in need in their area who require it because they have no parent or guardian, have been abandoned or whose parents are unable to provide for them. The local authority promotes the welfare of the children in its care. The number of children in the care of local authorities continues to decline. Provisional statistics show that:

- the total number of children in care fell from 92,300 in 1981 to 59,800 in 1991;
- the number of children in care placed with foster parents increased from 39 per cent in 1981 to 57 per cent in 1991; and
- between 1990 and 1991 the number of children in residential care fell from 12,670 to under 12,000.

Under the Children Act 1989, which came into effect in England and Wales in 1991,

parents of children in care retain their parental responsibilities but act as far as possible as partners with the authority. There is a new requirement to prepare a child for leaving the local authority's responsibility and to continue to advise him or her up to the age of 21. Local authorities are required to have a complaints procedure with an independent element to cover children in their care.

In England and Wales a child may be brought before a family proceedings court if he or she is neglected or ill-treated, exposed to moral danger, beyond the control of parents or not attending school. The court can commit the child to the care of a local authority under a care order. Under the Children Act 1989 certain preconditions have to be satisfied to justify an order. These are that the child is suffering or is likely to suffer significant harm because of a lack of reasonable parental care or is beyond parental control. However, an order is made only if the court is also satisfied that this will positively contribute to the child's well-being and be in his or her best interests. In court proceedings the child is entitled to separate legal representation and the right to have a guardian to protect his or her interests.

All courts have to treat the welfare of the child as the paramount consideration when reaching any decision about his or her upbringing. The family proceedings court consists of specially trained magistrates with power to hear care cases as well as all other family and children's cases.

In Scotland children in trouble or in need may be brought before a children's hearing, which can impose a supervision requirement on a child if it thinks that compulsory measures are appropriate. Under these requirements most children are allowed to remain at home under the supervision of a social worker but some may live with foster parents or in a residential establishment while under supervision. Supervision requirements are reviewed at least once a year until ended by a children's hearing or by the Secretary of State. A review of child care legislation in Scotland has been conducted and its results are under consideration.

In Northern Ireland the court may send

children in need or in trouble to a training school, commit them to the care of a fit person (including a health and social services board), or make a supervision order. Children in trouble may be required to attend an attendance centre or may be detained in a remand home. New child care legislation is being prepared in Northern Ireland. Where appropriate it will reflect the changes introduced in England and Wales and will make a distinction between the treatment of children in need of care and young offenders.

Fostering and Community Homes

When appropriate, children in care are placed with foster parents, who receive payments to cover living costs. Alternatively, the child may be placed in a children's home, voluntary home or other suitable residential accommodation. In Scotland local authorities are responsible for placing children in their care in foster homes, in local authority or voluntary homes, or in residential schools. In Northern Ireland there are residential homes for children in the care of the health and social services boards; training schools and remand homes are administered separately. Regulations concerning residential care and the foster placement of children in care are made by central government.

Adoption

Local authorities are required by law to provide an adoption service, either directly or by arrangement with a voluntary organisation. Agencies may offer adoptive parents an allowance in certain circumstances if this would help to find a family for a child. Adoption is strictly regulated by law, and voluntary adoption societies must be approved by the appropriate social services minister. The Registrars-General keep confidential registers of adopted children. Adopted people may be given details of their original birth record on reaching the age of 18, and counselling is provided to help them understand the circumstances of their adoption. An Adoption Contact Register enables adopted adults and their birth parents to be given a safe and confidential way of

making contact if that is the wish of both parties. A person's details are entered only if they wish to be contacted.

Social Workers

The effective operation of the social services depends largely on professionally qualified social workers. Training courses in social work are provided by universities, polytechnics (in Scotland, central institutions) and colleges of higher and further education. The Central Council for Education and Training in Social Work is the statutory body responsible for promoting social work training and offers advice to people considering entering the profession. A programme to introduce two-year courses leading to a new professional qualification, the Diploma in Social Work (DipSW), is being implemented.

Professional social workers (including those working in the NHS) are employed mainly by the social services departments of local authorities. Others work in the probation service, the education welfare service, or in voluntary organisations.

The Government is committed to improving social work training. In 1992-93 it is providing £29 million through its training support programme to assist local authorities to train staff; approximately 140,000 staff are expected to benefit from training, of whom nearly half work in residential care.

Voluntary Social Services

There is a long tradition in Britain of voluntary service to the community, and the partnership between the voluntary and statutory sectors is encouraged by the Government. It has been estimated that about half of all adults take part in some form of voluntary work during the course of a year. Local and health authorities plan and carry out their duties taking account of the work of voluntary organisations. Voluntary provision enables these authorities to continue the trend towards local community care rather than institutional care for elderly and for mentally ill people and those with learning disabilities. Funding voluntary organisations also provides

opportunities to try out new approaches to services which, if successful, can be included in mainstream statutory provision.

Various government schemes assist almost 3,000 local voluntary projects to enable unemployed volunteers to help disadvantaged groups in the community. Voluntary organisations also take part in several other government schemes, including Employment Training and Youth Training.

Co-ordination of government interests in the voluntary sector throughout Britain is the responsibility of the Home Office Voluntary Services Unit.

Voluntary Organisations

Funding

Voluntary organisations receive income from several sources, including contributions from individuals, businesses and trusts, central and local government grants, and earnings from commercial activities and investments. They also receive fees (from central and local government) for those services which are provided on a contractual basis. Some 500 bodies receive government grants. Tax changes in recent budgets have helped the voluntary sector secure more funds from industry and individuals. The Gift Aid scheme introduced in 1990, for example, provides tax relief on gifts of more than £400 in any one year. By the end of 1991 charities had received donations of more than £150 million under the scheme and had claimed tax repayments of £50 million on them.

Employees can now make tax-free donations to charity from their earnings. The Payroll Giving Scheme provides tax relief on donations of up to £50 a month (£600 a year). Voluntary organisations benefit not only from direct donations from the private sector but also from gifts of goods, sponsorship, secondments and joint promotions.

Charities

Over 170,000 voluntary organisations are registered as charities. In England and Wales the Charity Commission gives advice to trustees of charities on their administration.

The Commission also maintains a register of charities. Organisations may qualify for charitable status if they are established for purposes such as the relief of poverty, the advancement of education or religion or the promotion of certain other purposes of public benefit. These include good community relations, the prevention of racial discrimination, the protection of health and the promotion of equal opportunity. Legislation was passed in 1992 to strengthen the Charity Commissioners' powers of investigation and supervision and increase the public accountability of charities.

The Charities Aid Foundation, an independent body, is one of the main organisations that aid the flow of funds to charity from individuals, companies and grant-making trusts.

Co-ordinating Bodies

The National Council for Voluntary Organisations is the main co-ordinating body in England, providing central links between voluntary organisations, official bodies and the private sector; around 600 national voluntary organisations are members. It also protects the interests and independence of voluntary agencies, and provides them with advice, information and other services. Councils in Scotland, Wales and Northern Ireland perform similar functions. The National Association for Councils for Voluntary Service is another network providing resources, with over 200 local councils for voluntary service throughout England encouraging the development of local voluntary action, mainly in urban areas. The rural equivalent is Action with Rural Communities in England, representing 38 rural community councils.

Types of Voluntary Organisations

There are thousands of voluntary organisations concerned with health and social welfare, ranging from national bodies to small local groups. 'Self-help' groups have been the fastest expanding area over the last 20 or so years—examples include bodies which provide playgroups for pre-school children, or help

their members to cope with a particular disability. Groups representing ethnic minorities and women's interests have also developed in recent years. Many organisations belong to larger associations or are represented on local or national co-ordinating councils or committees. Some are chiefly concerned with giving personal service, others with influencing public opinion and exchanging information. Some perform both functions. They may be staffed by both professional and voluntary workers.

Personal and Family Problems

Specialist voluntary organisations concerned with personal and family problems include family casework agencies such as the Family Welfare Association, Family Service Units and the National Society for the Prevention of Cruelty to Children. They also include marriage guidance centres affiliated to Relate: National Marriage Guidance; Child Care (the National Council of Voluntary Child Care Organisations); the National Council for One Parent Families; Child Poverty Action Group, and the Claimants' Union, which provides advice on social security benefits; and the Samaritans, which helps lonely, depressed and suicidal people.

Health and Disability

Voluntary service to both sick and disabled people is given by—among others—the British Red Cross Society, St John Ambulance, the Women's Royal Voluntary Service and the National Association of Leagues of Hospital Friends. Societies which help people with disabilities and difficulties include the Royal National Institute for the Blind, the Royal National Institute for the Deaf, the Royal Association for Disability and Rehabilitation, the Disabled Living Foundation, the Disablement Income Group, MIND (National Association for Mental Health), MENCAP (Royal Society for Mentally Handicapped Children and Adults), the Spastics Society, Alcoholics Anonymous, Age Concern, Help the Aged, and their equivalents in Wales, Scotland and Northern Ireland.

Other Organisations

National organisations whose work is religious in inspiration include the Salvation Army, the Church Army, Toc H, the Board of Social Responsibility of the Church of Scotland, the Church of England Children's Society, the Church of England Council for Social Aid, the Young Men's Christian Association, the Young Women's Christian Association, the Catholic Marriage Advisory Council, the Jewish Welfare Board and the Church's Urban Fund.

Community service of many kinds is given by young people, often through organisations such as Community Service Volunteers, Scouts and Girl Guides, and the 'Time for God' scheme run by a group of churches.

A wide range of voluntary personal services is given by the Women's Royal Voluntary Service. These include bringing 'meals on wheels' to housebound invalids and old people, providing residential clubs for the elderly, help with family problems, and assistance in hospitals and during emergencies.

Over 1,300 Citizens Advice Bureaux advise people on their social and legal rights. Some areas have law centres and housing advisory centres.

The Volunteer Centre UK provides information and research on voluntary work. Its Scottish counterpart is Volunteer Development Scotland, and in Northern Ireland the Volunteer Development Resource Unit performs a similar function. There are many local volunteer bureaux, some part-time, which direct volunteers to opportunities in both the voluntary and statutory sectors.

Social Security

Nearly a third of government expenditure is devoted to the social security programme, which provides financial help for people who are elderly, sick, disabled, unemployed, widowed, bringing up children or on very low incomes.

Some benefits depend on the payment of

contributions by employers, employees and self-employed people to the National Insurance Fund, from which benefits are paid. The Government also contributes to the Fund. The other social security benefits are non-contributory and are financed from general taxation; some of these are income-related. Appeals about claims for benefits are decided by independent tribunals.

Administration

Administration in Great Britain is handled by three executive agencies of the Department of Social Security:

- the Benefits Agency, responsible for paying the majority of social security benefits;
- the National Insurance Contributions Agency, responsible for handling National Insurance contributions; and
- the Information Technology Services Agency, responsible for computerising the administration of social security—once completed there will be 20,000 terminals in over 500 locations. This will enable service to the public to be improved.

The housing and community charge benefit schemes are administered mainly by local government authorities, which recover most of the cost from the Government. In Northern Ireland social security benefits are administered by the Social Security Agency.

Advice about Benefits

The demand for advice about benefits is partly met by the Freeline Social Security Service, which handles over 1 million calls each year. A complementary service, the Social Security Advice Line for Employers, handles some 2,500 calls a week. The Ethnic Freeline Service provides information on social security in Urdu, Punjabi and Chinese.

CONTRIBUTIONS

Entitlement to National Insurance benefits such as retirement pension, sickness and invalidity benefit, unemployment benefit,

maternity allowance and widow's benefit, is dependent upon the payment of contributions. There are four classes of contributions:

- Class 1 contributions are related to earnings subject to an upper limit and are paid by employees and employers. The contribution is lower if the employer operates a 'contracted-out' occupational pension scheme (see below).
- Self-employed people pay a flat rate Class 2 contribution and may have to pay a Class 4 contribution, which is assessed as a percentage of profits or gains within certain limits; they are not eligible for unemployment and industrial injuries benefits.
- Voluntary Class 3 contributions are made by people wanting to safeguard rights to some benefits.

Employees who work after pensionable age (60 for women and 65 for men) do not pay contributions but the employer continues to be liable. People earning less than a certain amount do not pay contributions; neither do their employers. Self-employed people with earnings below a set amount may apply for exemption; those over pensionable age do not pay contributions.

BENEFITS

For most benefits there are two contribution conditions. First, before benefit can be paid at all, a certain number of contributions have to be paid. Secondly, the full rate of benefit cannot be paid unless contributions have been made up to a specific level over a set period. Benefits are increased annually in line with percentage increases in retail prices. The main benefits (payable weekly) are summarised below. The rates given are those effective from April 1992 until April 1993.

Retirement Pension

A state retirement pension is payable, on making a claim, to women at the age of 60 and men at the age of 65. The Sex Discrimination Act 1986 protects employees of different sexes in a particular occupation from being required to retire at different

ages. This, however, has not affected the payment of state retirement pensions at different ages for men and women. The Government is committed to the equalisation of the state pension age for men and women and in 1991 published a discussion document setting out some of the issues involved.

The state pension scheme consists of a basic weekly pension of £54.15 for a single person and £86.70 for a married couple, together with an additional earnings-related pension. Pensioners may have unlimited earnings without affecting their pensions. Those who have put off their retirement during the five years after state pension age may earn extra pension. A non-contributory retirement pension of £32.55 a week is payable to people over the age of 80 who meet certain residence conditions, and who have not qualified for a contributory pension. People whose pensions do not give them enough to live on may be entitled to income support ranging from £14.70 to £20.75 a week for a single person and £22.35 to £29.55 a week for a couple. Nearly 10 million people in Great Britain received a basic state pension in 1991.

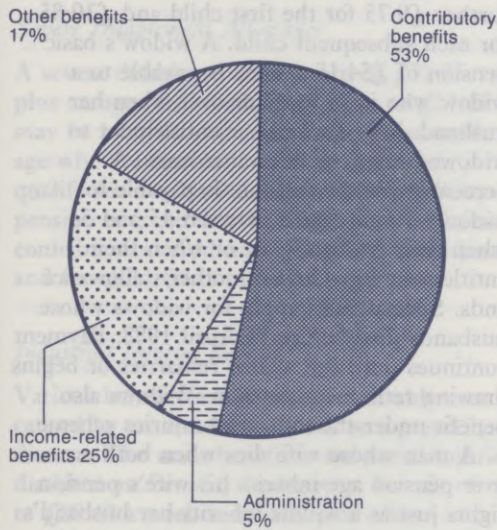
Rights to basic pensions are safeguarded for mothers who are away from paid employment looking after children or for people giving up paid employment to care for severely disabled relatives. Men and women may receive the same basic pension, provided they have paid full-rate National Insurance contributions when working. From the year 2000 the earnings-related pension scheme will be based on a lifetime's revalued earnings instead of on the best 20 years. It will be calculated as 20 per cent rather than 25 per cent of earnings, to be phased in over ten years from the year 2000. The pensions of people retiring this century will be unaffected.

Occupational and Personal Pensions

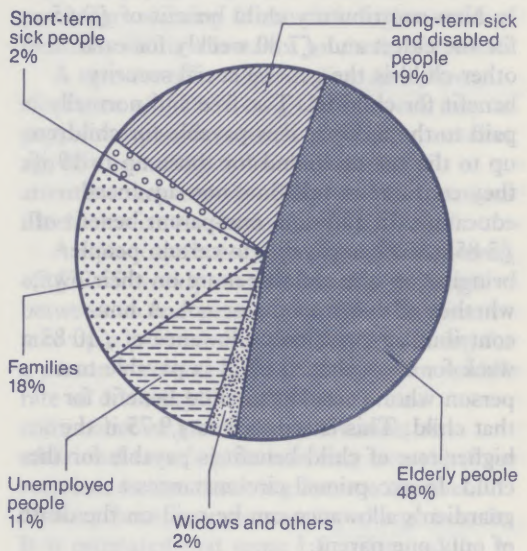
Employers are free to 'contract out' their employees from the state scheme for the additional earnings-related pension and to provide their own occupational pension instead. Their pension must be at least as

Social Security Expenditure: Great Britain 1991-92

Analysis of planned expenditure 1991-92



Percentage of expenditure by broad groups of beneficiaries 1991-92



Source: *Social Security. The Government's Expenditure Plans 1992-93 to 1994-95.*

good as the state additional pension. The State remains responsible for the basic pension.

Occupational pension schemes cover about half the working population and have over 11 million members. The occupational pension rights of those who change jobs before pensionable age, who are unable or who do not want to transfer their pension rights, are now protected against inflation up to a maximum of 5 per cent. Workers leaving a scheme have the right to a fair transfer value. The trustees or managers of pension schemes have to provide full information about their schemes.

As an alternative to occupational pension schemes or the state additional earnings-related pension, people are entitled to choose a personal pension available from a bank, building society, insurance company or other financial institution. By June 1992 over 4.8 million people had taken out personal pensions. A review of occupational pension law is in progress.

A Pensions Ombudsman deals with complaints about maladministration of

pension schemes and adjudicates on disputes of fact or law. A pensions registry has been established to help people trace lost benefits.

Mothers and Children

Most pregnant working women can receive their statutory maternity pay directly from their employer. Statutory maternity pay is normally paid for a maximum of 18 weeks. There are two rates: where a woman has been working for the same employer for at least two years, she is entitled to 90 per cent of her average weekly earnings for the first six weeks and to the lower rate of £46.30 a week for the remaining 12 weeks; where a woman has been employed for between 26 weeks and two years, she is entitled to payments for up to 18 weeks at the lower rate.

Women who are not eligible for statutory maternity pay because, for example, they are self-employed, have recently changed jobs or given up their job, may qualify for a weekly maternity allowance of £42.45, which is payable for up to 18 weeks.

A payment of £100 from the social fund (see p 146), may be available if the mother or her partner are receiving income support, family credit or disability working allowance. It is also available if a woman adopts a baby.

Non-contributory child benefit of £9.65 for the eldest and £7.80 weekly for each other child is the general social security benefit for children. Tax-free and normally paid to the mother, it is payable for children up to the age of 16 and for those up to 19 if they continue in full-time non-advanced education. In addition, one-parent benefit of £5.85 a week is payable to certain people bringing up one child or more on their own, whether as their parents or not. A non-contributory guardian's allowance of £10.85 a week for an orphaned child is payable to a person who is entitled to child benefit for that child. This is reduced to £9.75 if the higher rate of child benefit is payable for the child. In exceptional circumstances a guardian's allowance can be paid on the death of only one parent.

Child Support Agency

At present fewer than one-third of lone parents receive regular maintenance payments for their children. As part of a more general review of family justice matters, the Government is to establish a Child Support Agency which will take over from the courts the main responsibility for obtaining maintenance for children. The Agency will trace absent parents and collect and enforce child maintenance payments. Assessments will be made using a formula which will take into account the numbers and ages of the children and the financial circumstances of all parties. The Agency will start work in April 1993.

Widows

Widows under the age of 60, or those over 60 whose husbands were not entitled to a state retirement pension when they died, receive a tax-free single payment of £1,000 following the death of their husbands, provided that their husbands had paid a minimum number of National Insurance contributions. Women whose husbands have died of an industrial

injury or disease may also qualify, regardless of whether their husbands had paid National Insurance contributions. A widowed mother with a young family receives a widowed mother's allowance of £54.15 a week with a further £9.75 for the first child and £10.85 for each subsequent child. A widow's basic pension of £54.15 a week is payable to a widow who is 55 years or over when her husband dies or when her entitlement to widowed mother's allowance ends. A percentage of the full rate is payable to widows who are aged between 45 and 54 when their husbands die or when their entitlement to widowed mother's allowance ends. Special rules apply for widows whose husbands died before 11 April 1988. Payment continues until the widow remarries or begins drawing retirement pension. Widows also benefit under the industrial injuries scheme.

A man whose wife dies when both are over pension age inherits his wife's pension rights just as a widow inherits her husband's rights.

Sick and Disabled People

Statutory Sick Pay and Sickness Benefit

There is a large variety of benefits for people unable to work because of sickness or disablement. Employers are responsible for paying statutory sick pay to employees for up to a maximum of 28 weeks. There are two weekly rates—£45.30 or £52.50—depending on average weekly earnings. Employees who are not entitled to statutory sick pay can claim weekly state sickness benefit of £41.20 instead, as can self-employed people. Sickness benefit is payable for up to 28 weeks.

Invalidity Pension and Allowance

A weekly invalidity pension of £54.15 with additions of £32.55 for an adult dependant and £9.75 for the eldest child and £10.85 for each other child is payable when statutory sick pay or sickness benefit ends. For the period to count towards receiving invalidity pension the contribution condition for sickness benefit must be satisfied. An invalidity allowance of up to £11.55 a week,

depending on the age when incapacity began, may be paid, but this is offset by any entitlement to an additional invalidity pension.

Severe Disablement Allowance

A severe disablement allowance of £32.55 plus an age related addition of up to £11.55 may be payable to people under pensionable age who are unable to work and do not qualify for the National Insurance invalidity pension because they have not paid sufficient contributions. Additions for adult dependants and for children can also be paid.

Industrial Injuries Benefits

Various benefits are payable for disablement caused by an accident at work or a prescribed disease. The main benefit is industrial injuries disablement benefit; disablement benefit of up to £88.40 a week is usually paid after a qualifying period of 15 weeks if a person is physically or mentally disabled as a result of an industrial accident or a prescribed disease. During the qualifying period statutory sick pay or sickness benefit may be payable if the person is incapable of work. The degree of disablement is assessed by a medical authority and the amount paid depends on the extent of the disablement and how long it is expected to last. Disablement of 14 per cent or more attracts a weekly pension. Except for certain progressive respiratory diseases, disablement of less than 14 per cent does not attract disablement benefit. In certain circumstances disablement benefits may be supplemented by a constant attendance allowance. An additional allowance may be payable in certain cases of exceptionally severe disablement.

Other Benefits

Disability living allowance (which replaced mobility allowance and, for people under 65, attendance allowance) was introduced in April 1992. It is a tax-free benefit with two components for people under the age of 65 who need help with personal care or with mobility. The care component has three

weekly rates—£43.35, £28.95 and £11.55. The mobility component has two rates—£30.30 and £11.55.

An independent organisation called Motability helps disabled drivers and passengers wanting to use their higher rates of disability living allowance to obtain a vehicle.

A non-contributory, tax-free attendance allowance of £28.95 or £43.35 a week may be payable to people severely disabled at or after age 65 depending upon the amount of attention they require. People with a terminal illness receive the higher rate.

A non-contributory invalid care allowance of £32.55 weekly may be payable to people between 16 and pensionable age who cannot take up a paid job because they are caring for a person receiving either the higher or middle rate of disability living allowance care component or attendance allowance; an additional carer's premium may be paid if the recipient is also receiving income support, housing benefit or community charge benefit. It is estimated that some 1.4 million adults in Great Britain care for a disabled person for at least 20 hours a week.

Disability working allowance, a new tax-free benefit introduced in April 1992, provides help for disabled people in work. It is an income-related benefit payable to people working 16 hours or more a week. Awards are for fixed periods of six months. People must be receiving disability living allowance or have recently received a long-term incapacity benefit or a disability premium with an income-related benefit as a condition for receiving the new benefit. The rate payable depends on the person's income and size of family.

Unemployment Benefit

Unemployment benefit of £43.10 a week for a single person or £69.70 for a couple is payable for up to a year in any one period of unemployment. Periods covered by unemployment or sickness benefit, maternity allowance or some training allowances which are eight weeks or less apart, are linked to form a single period of interruption of work. Everyone claiming unemployment benefit has to be available for work, but unemployed

people wishing to do voluntary work in the community may do so in some cases without losing entitlement to benefit. People seeking unemployment benefit are expected actively to look for work and must have good reasons for rejecting any job that is offered.

Income Support

Income support is payable to people who are not in work, or who work for less than 16 hours a week, and whose financial resources are below certain set levels. It consists of a personal allowance ranging from £25.55 weekly for a single person or lone parent aged under 18 to £66.60 for a couple, at least one of whom is aged over 18. Additional sums are available to families, single parents, pensioners, long-term sick and disabled people, and those caring for them who qualify for the invalid care allowance.

Housing Benefit

The housing benefit scheme assists people who need help to pay their rent, using general assessment rules and benefit levels similar to those for the income support scheme. People whose net income is below certain specified levels receive housing benefit equivalent to 100 per cent of their rent.

Both income support and housing benefit schemes set a limit to the amount of capital a person may have and still remain entitled, and any income is taken into account after income tax and National Insurance contributions.

Community Charge Benefit

The community charge benefit is a rebate scheme which offers help with the cost of the community charge (see p 57) to those claiming income support and others with low incomes. Subject to rules similar to those governing the provision of income support and housing benefit (see above), people can receive rebates of up to 80 per cent of their community charge. From April 1993 council tax benefit will replace community charge benefit, the maximum rebate being 100 per cent.

Family Credit

Family credit is payable to employed and self-employed working families with children on modest incomes. It is payable to couples or lone parents. At least one parent must work for a minimum of 16 hours a week. The amount payable depends on a family's net income (excluding child benefit) and the number and ages of the children in the family. A maximum award, consisting of an adult rate of £41 weekly, plus a rate for each child varying with age, is payable if the family's net income does not exceed £66.60 a week. The award is reduced by 70 pence for each pound by which net income exceeds this amount. Family credit is not payable if a family's capital or savings exceed £8,000.

Social Fund

Discretionary payments, in the form of loans or grants, may be available to people on low incomes for expenses which are difficult to meet from their regular income. There are three types:

- budgeting loans to help meet important occasional expenses;
- crisis loans for help in an emergency or a disaster; and
- community care grants to help people re-establish themselves or remain in the community and to ease exceptional pressure on families.

In 1992–93 the Government is providing £211 million for loans and £91 million for community care grants. The total discretionary budget of £302 million is almost £75 million higher than in 1991–92.

Payments are also made from the social fund to help with the costs of maternity or funerals or with heating during very cold weather. These payments are regulated and are not subject to the same budgetary considerations as other social fund payments.

War Pensions and Related Services

Pensions are payable for disablement or death as a result of service in the armed forces or for certain injuries received in the merchant

navy or civil defence during war-time, or to civilians injured by enemy action. The amount paid depends on the degree of disablement and rank held in service: the maximum disablement pension for a private soldier is £89 a week.

There are a number of extra allowances. The main ones are for unemployment, restricted mobility, the need for constant attendance, the provision of extra comforts, and as maintenance for a lowered standard of occupation. An age allowance of between £6.25 and £19.30 is payable weekly to war pensioners aged 65 or over whose disablement is assessed at 40 per cent or more. Pensions are also paid to war widows and other dependants. (The standard rate of pension for a private's widow is £70.35 a week.)

The Department of Social Security maintains a welfare service for war pensioners, war widows and other dependants. It works closely with ex-Service organisations and other voluntary bodies which give financial aid and personal support to those disabled or bereaved as a result of war.

Taxation

Some social security benefits are regarded as taxable income. Various income tax reliefs and exemptions are allowed on account of age or a need to support dependants. The following benefits are not taxable: income support (except when paid to the unemployed and to people involved in industrial disputes), family credit, attendance allowance, severe disablement allowance, industrial injuries

disablement benefit, reduced earnings allowance, and war pensions. The two new benefits, disability living allowance and disability working allowance, are both tax-free.

Other Benefits

Other benefits for which unemployed people and those on low incomes may be eligible include exemption from health service charges (see p 119), grants towards the cost of spectacles, free school meals and free legal aid. Reduced charges are often made to unemployed people, for example, for adult education and exhibitions, and pensioners usually enjoy reduced transport fares.

Arrangements with Other Countries

As part of the European Community's efforts to promote the free movement of labour, regulations provide for equality of treatment and the protection of benefit rights for employed and self-employed people who move between member states. The regulations also cover retirement pensioners and other beneficiaries who have been employed, or self-employed, as well as dependants. Benefits covered include child benefit and those for sickness and maternity, unemployment, retirement, invalidity, accidents at work and occupational diseases.

Britain also has reciprocal social security agreements with a number of other countries. Their scope and the benefits they cover vary, but the majority cover most National Insurance benefits and family benefits.

7 Education

British education aims to develop fully the abilities of individuals, both young and old, for their own benefit and that of society as a whole. Compulsory schooling takes place between the ages of 4 or 5 and 16. Some provision is made for children under school age, and many pupils remain at school beyond the minimum leaving age. Post-school education, mainly at universities and institutions of further and higher education, is organised flexibly to provide a wide range of opportunities for academic and vocational education and continuing study throughout life.

Major Reforms

During the last few years the education service has undergone the most far-reaching reforms since 1945. The aims of the Government's policies are to:

- raise standards at all levels of ability;
- increase parental choice of schools and improve the partnership between parents and schools;
- make further and higher education¹ more widely accessible and more responsive to the needs of the economy; and
- achieve the best possible return from the resources invested in the education service.

Schools

In schools, the Government is seeking to:

- improve school management;

- secure a broader and more balanced curriculum for all pupils so that they can develop the qualities and skills required for adult life and work in a technological age;
- ensure that examinations support curriculum objectives;
- implement schemes for the local management of schools; and
- improve the quality of teaching through better teacher training and appraisal.

Further proposals on education reform in England and Wales were set out in a White Paper, published in July 1992. The main proposals are:

- the introduction of measures to make it easier for schools to become grant-maintained (see p 152);
- the establishment of a funding agency for grant-maintained schools;
- more specialisation by schools in their particular subject strengths;
- measures to improve bad schools;
- the setting up of a new body to improve standards in schools; and
- the creation of a new independent tribunal to hear parents' appeals against local education authority decisions regarding their children who have special educational needs.

Fuller details are given in the relevant sections.

Schools are also encouraged to be more responsive to the needs of a multi-ethnic society. Measures are being taken to widen the choice of schools available and to ensure that schools respond effectively to the demands of parents and the broader community. School governors have to be properly trained.

¹ Higher education is generally defined as higher courses in any institution—broadly, those of a standard higher than General Certificate of Education (GCE) Advanced (A) level or its equivalent—and further education as all other post-school courses.

Post-school Education

The Government's principal aims for further education and training (see p 164) are to:

- ensure that participation becomes the norm for all 16- and 17-year-olds who can benefit from it;
- improve vocational qualifications in order to increase the proportion of young people and adults acquiring higher levels of skills and expertise; and
- secure the more efficient and effective use of resources.

The Government's main objectives for higher education (see p 150) are to:

- secure enough places for suitably qualified students;
- ensure that the system maintains high quality and becomes increasingly relevant to students' needs for their benefit and for that of the economy and society as a whole; and
- ensure that suitable arrangements are made for student support.

In order to spread the benefits of higher education more widely, the Government encourages educational institutions to recruit more students from ethnic minority and other under-represented groups.

Legislation making major reforms in the funding and organisation of further and higher education has been passed by Parliament. Details are given in the relevant sections below (see p 150 and p 161).

Administration

The Secretary of State for Education has overall responsibility for education in England, and for university education in Great Britain. The Secretaries of State for Wales and for Scotland are responsible for non-university education in their countries, and are consulted about education in universities. The Secretary of State for Northern Ireland is responsible for both university and non-university education in the province. From April 1993 each Secretary of State will be responsible for all higher education in his country.

The government departments responsible for education are the Department for Education in England, the Welsh Office Education Department, the Scottish Office Education Department, and the Department of Education for Northern Ireland. They formulate education policies and allocate some government funds to the local government authorities responsible for providing schools and other facilities. The departments are also responsible for the supply and training of teachers.

Most publicly financed school education and that provided by local further education colleges is the responsibility of local government education authorities. From April 1993, further education colleges will be removed from local authority control (see p 161). In Northern Ireland the education service is administered locally by five education and library boards.

Local education authorities employ teachers and other staff, provide and maintain buildings, supply equipment and materials and, in England and Wales, award grants to students progressing to further and higher education.

Universities are self-governing institutions, receiving most of their income indirectly from central government grants.

Finance

Estimated spending on education in Britain in 1991-92 was £29,300 million. About 70 per cent was incurred by local education authorities, which make their own expenditure decisions according to local needs. Parts of the education service are funded by central government. The largest item of Department for Education spending is devoted to higher education. The Departments of Employment and of Trade and Industry also fund educational programmes; the former, for example, finances the Technical and Vocational Education Initiative (see p 157) and Compacts (see p 167).

Part of the Government's general revenue support—granted by the Department of the Environment to local government authorities in England and by the Welsh Office in Wales—is allocated by the authorities to their

education service. The Government also assists authorities' expenditure on educational activities of national priority. In 1992-93, for instance, the Government is contributing some £228 million towards a total of £377 million to be spent on projects, including the National Curriculum, local management of schools and colleges, teacher recruitment, support for information technology in schools and health education in schools. The rest of education authorities' expenditure is met by local taxation. In Scotland, education is financed on a similar basis.

In Northern Ireland the costs of the education and library boards are met in full by the Department of Education.

The Government funds directly the current and capital costs of grant-maintained schools which have opted to leave local education authority control (see p 152) and of city technology colleges (see p 153) in England and Wales and comparable institutions in Scotland and Northern Ireland.

Higher Education

Higher education is largely financed by grants to individual institutions and tuition fees paid for students through the awards system. The Government has shifted the balance of public funding for full-time undergraduate higher education from the institutional grant to tuition fees paid for students. This is intended to create a more direct link between an institution's income and the number of its students and to encourage institutions to increase their efficiency by making full use of capacity.

Grants for universities in Great Britain are currently distributed by the Universities Funding Council (UFC), a statutory body. Certain individual establishments, such as the Open University, are financed directly by the Department for Education. In Northern Ireland, grant is paid directly to the universities by the Department of Education following advice from the UFC. The private University of Buckingham receives no public grant.

The Polytechnics and Colleges Funding Council is currently responsible for allocating public funds for higher courses in most

colleges of higher education in England. Similar institutions in Wales are financed by the Welsh Office. Higher courses in Wales continue to be financed by local authorities. In Scotland all courses offered by the central institutions and colleges of education are funded by central government; advanced courses provided by local authority further education colleges are financed by the local authorities.

Universities and other higher education institutions undertake training, research, or consultancy for commercial firms. The Government is encouraging them to secure a larger flow of funds from these sources. Many educational establishments have endowments or receive grants from foundations and benefactors.

Under legislation passed by Parliament in 1992, these financing arrangements will be changed. In England, Scotland and Wales, there will be separate funding councils responsible for allocating public funds on a fair basis to all higher education institutions. The Universities Funding Council and the Polytechnics and Colleges Funding Council will, therefore, be abolished in 1993 and replaced by the three new councils.

The Government reimburses in full the amount spent by local authorities on mandatory student grants and fees (see p 162).

SCHOOLS

Parents are required by law to see that their children receive efficient full-time education, at school or elsewhere, between the ages of 5 and 16 in Great Britain and 4 and 16 in Northern Ireland. Some 9 million children attend Britain's 34,800 state and private schools.

About 93 per cent of pupils receive free education financed from public funds, while the others attend independent schools financed from fees paid by parents.

Boys and girls are taught together in most primary schools. More than 80 per cent of pupils in maintained secondary schools in England and Wales and over 60 per cent in Northern Ireland attend mixed schools. In Scotland nearly all secondary schools are mixed. Most independent schools for younger

children are co-educational; the majority providing secondary education are single-sex, although the number of mixed schools is growing.

Rights of Parents

Parents have a statutory right to express a preference for a particular school for their children, and have an effective channel of appeal at local level. Schools are obliged to publish their admissions criteria and basic information about themselves and their public examination results. In order to increase parental choice, secondary schools are required to admit pupils up to the limit of their physical capacity if there is sufficient demand on behalf of children eligible for admission. This policy is also being applied to primary schools.

Legislation passed by Parliament in 1992 is designed to enable parents in England and Wales to make more informed choices about their children's education.

From the autumn of 1992 parents choosing among local secondary schools will:

- find freely available comparative tables showing the latest public examination results school by school; and
- find in each school's prospectus improved information on public examination results and truancy rates.

From 1993, regulations in England and Wales will require by law the inclusion in comparative tables of all local secondary schools, including independent ones; the scope of the tables will be extended to cover truancy rates, National Curriculum assessment results and the destinations of school leavers. The legislation also provides for information to be given to parents on the findings of school inspection reports (see p 159).

Regulations in England and Wales require all maintained schools to send to parents a written annual report on their child's progress. The report must contain:

- details about the child's progress in subjects studied;
- details of the results of National Curriculum assessments and of public examinations taken by the child;
- comparative information about the results of other pupils of the same age in the school; and
- information about the arrangements for discussing the report with teachers at the school.

Management

England and Wales

Schools supported from public funds are of three main kinds:

- county schools are owned and maintained by local education authorities wholly out of public funds;
- voluntary schools, mostly established by religious denominations, are also wholly maintained from public funds but the governors of some types of voluntary school contribute to capital costs; and
- grant-maintained schools, which have chosen to opt out of local education authority control after an affirmative ballot by parents. These ballots take place under the provisions of legislation passed in 1988.

Each publicly maintained school has a governing body which includes governors appointed by the local education authority and a balance of teacher and parent representatives. Governors work with the head of the school in areas such as allocation of the school budget, interviewing/appointment of staff and other matters.

The role of governing bodies has been further enlarged since 1990. Local education authorities will be delegating responsibility for the management of school budgets to all secondary schools and primary schools by April 1994. In April 1991, 38 per cent of schools in England had delegated budgets and this rose to over 70 per cent in April 1992. Under the system of delegation, the local education authority allocates funds—largely on the basis of pupil numbers—to the school,

which then takes responsibility for spending decisions. Local education authorities will also be required from April 1994 to extend local management to special schools; authorities will be required to fund special schools according to a formula and will be permitted to provide for special schools to receive delegated management powers.

Grant-maintained Schools

Grant-maintained schools are self-governing and are financed by central government. The Government hopes that over time all state schools will become grant-maintained. In the July 1992 White Paper the Government is proposing that a new statutory body, the Funding Agency for Schools, should be set up to calculate and pay grant to grant-maintained schools and be responsible for financial monitoring. The Agency will act under regulations and guidelines set down by the Secretary of State.

The Government is also proposing that small primary schools in rural areas should take advantage of the grant-maintained option. Under this, a cluster of small schools could become grant-maintained and be managed by a single governing body which would distribute funds to the individual schools. Each school would ballot parents on grant-maintained status.

Local education authorities will continue to be responsible for maintained schools which do not become grant-maintained.

Under the Government's proposals the Funding Agency would be responsible for securing sufficient school places when 75 per cent of secondary or primary pupils are educated in grant-maintained schools in a local authority area. This function would be shared between the Agency and the authority where more than 10 per cent of the pupils were educated in grant-maintained schools.

Scotland

In Scotland most of the schools supported from public funds are provided by education authorities and are known as public schools. Education authorities are required to establish school boards to play a significant part in the

administration and management of schools. The boards consist of elected parent and staff members as well as co-opted members, thereby encouraging greater parental involvement and closer links between home, school and local community. Parents of children at public schools can opt for local self-management following approval by a ballot; such schools receive funding directly from central government instead of the local education authority.

Northern Ireland

The main categories of school supported by public funds are:

- controlled schools, provided by the education and library boards and managed through boards of governors;
- maintained schools, managed by boards of governors with overall general management from the Council for Catholic Maintained Schools;
- voluntary grammar schools, which may be under Roman Catholic management or non-denominational boards of governors; and
- grant-maintained integrated schools, taking Protestant and Roman Catholic pupils.

All grant-aided schools include elected parents and teachers on their boards of governors.

Although all schools must be open to pupils of all religions, most Roman Catholic pupils attend Catholic maintained schools or Catholic voluntary grammar schools and most Protestant children are enrolled at controlled schools or non-denominational voluntary grammar schools.

The Council for Catholic Maintained Schools has responsibility for all maintained schools under Roman Catholic management which are under the auspices of the diocesan authorities and of religious orders. The Council's main objective is to promote high standards of education in the schools for which it is responsible. Its membership consists of trustee representatives appointed by the Northern Irish bishops, of people appointed by the Department of Education in

consultation with the bishops, and of parents and teachers.

The Government has a statutory duty, set out in 1989 legislation, to encourage integrated education as a way of breaking down sectarian barriers. There are 16 integrated schools with 2,800 pupils.

New integrated schools receive immediate government funding. Existing controlled, maintained and voluntary grammar schools can also apply to become integrated following a majority vote by parents. There are two categories of integrated schools. Grant-maintained integrated status can be applied for by new and independent schools as well as those already receiving public funds. If this is approved, the school is funded directly by the Department of Education and run by a board of governors. Controlled integrated status can be sought by voluntary and controlled schools; education and library boards can also apply to set up such schools. The boards provide funding for and supervise controlled integrated schools.

Secondary school governors have delegated responsibility for managing school budgets and staff numbers. Primary and nursery school governors have delegated responsibility for managing non-staff costs only, although from April 1992 full delegation is being extended gradually into primary schools.

Nursery and Primary Schools

Although there is no statutory requirement to educate under-fives, successive governments have enabled nursery education to expand. One-half of three- and four-year-olds receive education in nursery schools or classes or in infants' classes in primary schools. In addition, many children attend pre-school playgroups, most of which are organised by parents and incorporated in the Pre-School Playgroups Association.

Compulsory education begins at five in Great Britain and four in Northern Ireland, when children go to infant schools or departments; at seven many go on to junior schools or departments. The usual age for transfer from primary to secondary schools is 11 in England, Wales and Northern Ireland, but some local authorities in England have

established first schools for pupils aged 5 to 8, 9 or 10, and middle schools for age-ranges between 8 and 14. In Scotland primary schools take children from 5 to 12.

Secondary Schools

Around nine-tenths of the maintained secondary school population in Great Britain attend comprehensive schools. These take pupils without reference to ability or aptitude and provide a wide range of secondary education for all or most of the children in a district. English and Welsh schools can be organised in a number of ways. They include:

- those that take the full secondary school age-range from 11 to 18;
- middle schools, whose pupils move on to senior comprehensive schools at 12, 13 or 14, leaving at 16 or 18; and
- schools with an age-range of 11 or 12 to 16, combined with a sixth-form or a tertiary college for pupils over 16.

Sixth-form colleges are schools which may provide non-academic in addition to academic courses. Tertiary colleges offer a range of full-time and part-time vocational courses for students over 16, as well as academic courses. From April 1993 sixth form and tertiary colleges will be funded by national further education funding councils.

Most other children attend grammar or secondary modern schools, to which they are allocated after selection procedures at the age of 11.

Nearly 300 secondary schools have left local authority control and become grant-maintained (see p 152).

There are 13 city technology colleges in England and Wales. While fulfilling their National Curriculum requirements of breadth and balance, the colleges emphasise science, technology and business understanding. They are independent of local education authorities and have been established as partnerships between the Government and private sponsors. The Government is also establishing a number of secondary schools specialising in technology, and encouraging schools wishing to specialise in science, music or modern languages.

Scottish secondary education is almost completely non-selective; the majority of schools are six-year comprehensives. The Government, in partnership with private sponsors, is seeking to set up technology academies in Scotland with a role similar to that of the city technology colleges.

In Northern Ireland secondary education is organised largely along selective lines, based on a system of testing. However, there are some secondary schools run on a non-selective basis.

Failing Schools

The Government has announced proposals designed to deal with poor schools in England and Wales. If school inspectors identified a school that was failing to give its pupils an acceptable standard of education, the local education authority would be able to appoint new governors and withdraw delegated management from the school. If these measures failed to work, the Secretary of State would be able to bring in an Education Association to put the school under new management until its performance had reached a satisfactory level. The new management would be financed from central government. After further advice from the schools inspectorate (see p 159), the Secretary of State would decide whether to end the Association's period of care for the school. The school would be considered for grant-maintained status.

Independent Schools

Fee-paying independent schools must register with the appropriate education department and are open to inspection. They can be required to remedy serious shortcomings in their accommodation or instruction, and to exclude anyone regarded as unsuitable to teach in or own a school. About 8 per cent of schoolchildren attend independent schools.

There are 2,475 independent schools educating 608,000 pupils of all ages. They charge fees varying from around £300 a term for day pupils at nursery age to £3,500 a term for senior boarding pupils. Many offer bursaries to help pupils from less well-off

families. Such pupils may also be helped by local education authorities—particularly if the authorities' own schools cannot meet the needs of individual children—or by the Government's Assisted Places Scheme, under which assistance is given according to parental income. Over 37,000 places are offered in England, Wales and Scotland under the scheme. The Government also gives income-related help with fees to pupils at certain specialist music and ballet schools.

Independent schools range from small kindergartens to large day and boarding schools and from new and in some cases experimental schools to ancient foundations. The 600 boys', girls' and mixed preparatory schools prepare children for entry to senior schools. The normal age-range for these preparatory schools is from 7-plus to 11, 12 or 13, but many of the schools now have pre-preparatory departments for younger children. A number of independent schools have been established by religious and ethnic minorities.

Independent schools for older pupils—from 11, 12 or 13 to 18 or 19—include about 550 which are often referred to as public schools. These are schools belonging to the Headmasters' Conference, the Governing Bodies Association, the Society of Headmasters and Headmistresses of Independent Schools, the Girls' Schools Association and the Governing Bodies of Girls' Schools Association. They should not be confused with the state-supported public schools in Scotland.

Special Educational Needs

Special educational needs comprise learning difficulties of all kinds, including mental and physical disabilities which hinder or prevent learning. In the case of children whose learning difficulties are severe or complex, local education authorities are required to:

- identify, assess and secure provision for their needs; and
- give parents the right to be involved in decisions about their child's special education.

If the education authority believes that it

should determine the special education provision for the child, it must draw up a formal statement of the child's special educational needs and the action it intends to take to meet them. Parents have a right of appeal if they disagree with the special educational provision set out in the statement.

Wherever possible, children with special educational needs are educated in ordinary schools, provided that the parents' wishes have been taken into account, and that this is compatible with meeting the needs of the child, with the provision of efficient education for the other children in the school, and with the efficient use of resources.

Because of concern about the way these arrangements are working the Government is proposing to:

- set statutory time limits within which the education authority must carry out procedures for making assessments and statements;
- require the education authority to comply with parents' choice of school unless this would be inappropriate for the child or involve an inefficient use of resources; and
- establish an independent tribunal to hear appeals against education authority decisions. The tribunal's decisions would be binding on all parties to the case and it would replace the present local appeal committees and appeals to the Secretary of State.

The Government is also proposing to change the law to ensure that a state school named in a statement of special educational needs should be required to admit the child. The education authority would have to consult the governors before naming the school. It is intended that parents will be given the right to ballot on grant-maintained status for special schools.

In Scotland the choice of school is a matter for agreement between education authorities and parents.

There are 1,900 special schools (both day and boarding), including those run by voluntary organisations and those established in hospitals. They cater for about 125,000

pupils with special educational needs who cannot be educated at ordinary schools. Developments in information technology (see p 159) are increasingly leading to better quality education for these children.

Teachers

Teachers in publicly maintained schools are appointed by local education authorities or school governing bodies. Over 500,000 teachers are employed in maintained and independent schools, and the average pupil-teacher ratio for all schools is about 17 to 1. Teachers in maintained schools must hold qualifications approved by the appropriate education department (see p 165).

Formal teacher appraisal is being introduced in English and Welsh schools. By 1995 all teachers will have completed the first year of their appraisal cycle.

The Curriculum

England and Wales

The Government favours widening educational opportunities as much as possible through a broad and balanced curriculum designed to meet the individual needs of pupils and relevant to the modern world.

In 1989 primary and secondary schools began the gradual introduction of the National Curriculum in England and Wales. The National Curriculum consists of the core subjects of English, mathematics and science, as well as the other foundation subjects of history, geography, technology, music, art, physical education and, for secondary level pupils, a modern foreign language.

National Curriculum subjects are being introduced progressively; by 1996-97 the entire National Curriculum will be taught to all pupils.

In Wales the Welsh language constitutes a core subject in Welsh-speaking schools and a foundation subject elsewhere under the National Curriculum. The National Curriculum requirements for Welsh were introduced in 1990. Some 80 per cent of primary schools either use Welsh as a teaching medium or teach it as a second

language, while nearly 90 per cent of secondary schools teach Welsh as a first or second language.

There are statutory attainment targets specifying the knowledge, skills and understanding expected of children at the ages of 7, 11, 14 and 16. The first national statutory assessment of seven-year-olds was undertaken in 1991. Those for 14-year-olds will first take place in 1993 and those for 11-year-olds in 1994. Assessments at the age of 16 will be by means of the GCSE exam (see p 157). Regulations have been introduced covering the manner and form in which assessments of individual pupils are to be made available to parents and others (see p 159).

Scotland

The content and management of the curriculum are the responsibility of education authorities and head teachers, though guidance is provided by the Secretary of State for Scotland and the Scottish Consultative Council on the Curriculum. The Council has recommended that secondary level pupils should follow a broad and balanced curriculum consisting of English, mathematics, science, a modern European language, social studies, technological activities, art, music or drama, religious and moral education, and physical education. A major programme of curricular review and development is in progress for the 5-to-14 age-range. The Government is in the process of issuing new guidelines on all aspects of the curriculum and assessment. Standardised tests in English and mathematics are being introduced for primary school pupils at stages 4 and 7, normally at ages 8 and 12. The Government also wants to promote the teaching of foreign languages in primary schools and pilot studies are in progress. It also intends that all pupils should study a foreign language during their compulsory secondary education.

A committee has been established to review courses and assessment arrangements in the final two years of secondary schooling. Provision is made for teaching in Gaelic in Gaelic-speaking areas.

Northern Ireland

A common curriculum is being introduced in all Northern Ireland grant-aided schools. It is based on six broad areas of study: English, mathematics, science and technology, the environment and society, creative and expressive studies, and, for secondary schools, language studies. Religious education is obligatory at all stages. The curriculum will be fully implemented by September 1993.

Attainment targets, programmes of study and methods of assessment—at ages 8, 11, 14 and 16—are specified for all compulsory subjects. The first assessments at the ages of 11 and 14 will take place in 1994 and at the ages of 8 and 16 in 1995. In addition, the school curriculum includes six compulsory cross-curricular themes: education for mutual understanding, cultural heritage, health education, information technology, and, in secondary schools, economic awareness and careers education. Pupils are learning from a common history curriculum in the environment and society area of study.

Religious Education and Collective Worship in Schools

In England and Wales maintained schools must provide religious education and a daily act of collective worship. Since the 1988 Act, many local authorities have reviewed their agreed syllabuses for religious education to take account of the fact that religious traditions in Great Britain are in the main Christian. Syllabuses, however, also cover the teachings of the other main religions represented in the country.

The Government is proposing that those authorities which have not reviewed their syllabuses should be required to do so in a specified period. Each local education authority area has a standing council which advises the authority on the development of religious education.

In all voluntary schools there is the opportunity for denominational religious education.

Parents have the right to withdraw their children from religious education classes and from collective worship.

Scottish education authorities are required to see that schools practise religious observance and give pupils religious instruction; parents may withdraw their children if they wish. Certain schools provide for Roman Catholic children but in all schools there are safeguards for the individual conscience.

In Northern Ireland, too, schools are obliged to offer religious education and collective worship, although parents have the right to withdraw their children from both. In controlled schools clergy have a right of access which may be used for denominational instruction. In voluntary schools collective worship and religious education are controlled by the management authorities. It is intended that religious education will have an agreed core syllabus which grant-aided schools can expand according to their own needs and wishes.

Ethnic Minority Children

Most school-aged children from ethnic minorities were born in Britain and tend to share the interests and aspirations of children in the population at large. Nevertheless, a substantial number still have particular needs arising from cultural differences, including those of language, religion and custom.

The education authorities have done much to meet these needs. English language teaching continues to receive priority, with a growing awareness of the value of bilingual support in the early primary years. Schools may teach the main ethnic minority community languages at secondary level as part of the National Curriculum. Emphasis has been placed on the need for schools to take account of the ethnic and cultural backgrounds of pupils and curricula should reflect ethnic and cultural diversity. Measures have been taken to improve the achievement of ethnic minority pupils, and to prepare all children, not just those of ethnic minority origin, for living in a multi-ethnic society.

Curriculum Development

In England curriculum development is promoted by the National Curriculum

Council and in Wales by the Curriculum Council for Wales. The Curriculum Councils keep the curriculum for maintained schools under review, advise the Government on content, carry out programmes of research and development and publish information relating to the curriculum. The Government proposes to set up a new School Curriculum and Assessment Authority in England to ensure quality in the curriculum and the associated assessment arrangements. This will replace the National Curriculum Council and the School Examinations and Assessment Council (see p 158). Similar action is being taken in Wales.

In Scotland curriculum development is undertaken by the Scottish Consultative Council on the Curriculum and in Northern Ireland by the Northern Ireland Curriculum Council.

Technical and Vocational Education Initiative

The Technical and Vocational Education Initiative (TVEI) applies in England, Scotland and Wales. It is financed and administered by the Department of Employment, the Scottish Office Industry Department and the Welsh Office, working in close co-operation with local education authorities. It is intended that the education of 14- to 18-year-olds should equip them for working life by ensuring that the school curriculum relates to the working environment, and by improving skills and qualifications, particularly in science, technology and modern languages. Over 1 million students are benefiting from TVEI in England.

Examinations and Qualifications

England, Wales and Northern Ireland

The main examinations taken by secondary school pupils in England, Wales and Northern Ireland around the age of 16 are those leading to the General Certificate of Secondary Education (GCSE). GCSE examinations are usually taken after five

years of secondary education and can lead on to more advanced education and training. The GCSE will be the principal means for assessing attainment at stage 4 (pupils aged 16) of the National Curriculum. The structure of the exam is being adapted in accordance with National Curriculum requirements.

The General Certificate of Education (GCE) Advanced (A) level is normally taken after a further two years of study. New examinations—Advanced Supplementary (AS) levels—were held for the first time in 1989 and enable sixth-form pupils to study a wider range of subjects than was possible before. Students specialising in the arts and humanities, for example, can continue to study mathematics and technological subjects at the new level. Requiring the same standard of work but with only half the content of A levels, an AS level occupies half the teaching and study time of an A level. A levels or a mixture of A and AS levels are the main standard for entrance to higher education and to many forms of professional training.

Discussions have taken place with the main vocational examining and validating bodies regarding their possible contribution to courses and qualifications for 14- to 16-year-olds. It is expected that courses will be available from September 1993 which will extend the study of National Curriculum subjects, particularly technology, into vocational and practical areas for those pupils whose aptitudes lie in this direction.

The Certificate of Pre-Vocational Education is for those at school or college wishing to continue in full-time education for a year after the age of 16 and to receive a broadly based preparation for work or vocational and other courses. The Certificate is being developed by the City and Guilds of London Institute. An improved version will be called the City and Guilds Diploma of Vocational Education. Business and Technology Education Council (BTEC) qualifications can also serve as a preparation for work or a stepping-stone into higher education. Schools are now allowed to offer BTEC First Diploma courses to 16- to 19-year-olds.

Scotland

Scottish pupils take the Scottish Certificate of Education (SCE) at Standard grade at the end of their fourth year of secondary education (equivalent to the fifth year in England and Wales). Pupils in the fifth and sixth years sit the SCE Higher grade; passes at this grade are the basis for entry to higher education or professional training. However, entry is becoming more flexible as wider access to under-represented groups with non-standard qualifications is encouraged. The Certificate of Sixth Year Studies (CSYS) is for pupils who have completed their Higher grade main studies and who wish to continue studies in particular subjects. Standard grade courses and examinations cater for the whole ability range. Higher and CSYS examinations are being revised to ensure compatibility with the Standard grade.

The National Certificate is for students over 16 who have successfully completed a programme of vocational courses based on short study units.

Examinations and Assessment Councils

All GCSE and other qualifications offered to pupils of compulsory school age in maintained schools in England and Wales must be approved by the Government. Associated syllabuses and assessment procedures must comply with national guidelines and be approved by the School Examinations and Assessment Council. The aim is to secure a reasonably wide choice of qualifications and syllabuses which promote a broad and balanced curriculum and support the National Curriculum.

The Council keeps under review all aspects of examinations and assessment in England and Wales. It liaises with the National Curriculum Council for England and the Curriculum Council for Wales on work connected with the National Curriculum in schools. The Council will be replaced by a new body under recent government proposals.

The Council's Evaluation and Monitoring Unit evaluates the assessment arrangements for the National Curriculum.

The equivalent body in Scotland is the Scottish Examination Board, which liaises with the Scottish Consultative Council on the Curriculum. The Scottish Assessment of Achievement research programme has surveyed attainments of pupils in English and mathematics at the ages of 8, 12 and 14.

The Northern Ireland Schools Examinations and Assessment Council is responsible for keeping all aspects of examinations and assessment under review. It liaises with the Northern Ireland Curriculum Council.

Progress Reports

Parents in England and Wales receive a yearly progress report on their child's general progress, National Curriculum achievements and results in public examinations. The National Record of Achievement, launched in February 1991, is designed to present a simple record of achievement in education and training throughout working life.

In Scotland the report card system is being reformed to give parents a clearer view of their children's progress. In Northern Ireland all pupils will be issued with a record of achievement on leaving primary and secondary education.

Educational Standards

Various schools inspectorates report to the Government on educational standards.

In September 1992 new offices independent of government were established in England and Wales, headed by Her Majesty's Chief Inspector of Schools in England and Her Majesty's Chief Inspector of Schools in Wales. The office in England is the Office for Standards in Education. In addition to advising the Government on quality, standards and efficiency in school education, the Chief Inspectors are responsible for regulating a new system of school inspections. Every school will have to be inspected regularly by independent inspectors to agreed national standards which will be monitored by the offices. It is planned to examine 6,000 schools a year over a four-year period and this work will continue in

four-yearly cycles. Parents will be sent a readable summary of the full inspection report, which will be published. Governors will have to prepare action plans to follow it up and then report back to parents on their progress. The inspection cycle begins in September 1993 for secondary schools and September 1994 for primary and other schools.

Schools inspections in Northern Ireland are carried out by the Education and Training Inspectorate, which is part of the Department of Education.

Information Technology

The National Curriculum places a strong emphasis on the use of information technology (IT). In 1987 the Government announced a major new strategy to encourage use of educational technology across the curriculum so that pupils become familiar with the new technologies and use them to enhance learning. Between 1988 and 1992 the average number of microcomputers in English primary schools rose from 2.5 to 7 and in English secondary schools from 23 to 60; over two-thirds of teachers have undertaken awareness training in the use of IT. In Wales, the average number of pupils per microcomputer in primary schools went down from 68 to 34 between 1988 and 1991; in secondary schools over the same period the average number decreased from 30 to 14.

From 1991 to 1994 grants are available to increase the numbers of microcomputers in schools and for teacher training. In both years grants may be used to provide IT support for children with communication difficulties. In 1992-93 and 1993-94 grants are available to help secondary schools buy CD-ROM (compact disc read only memory) drives and discs.

In each of the three years 1991-92 to 1993-94 there are grant-supported spending programmes of around £30 million to provide continuing support for IT in schools.

The Government is also making a grant of around £5 million a year to support the National Council for Educational Technology (NCET). The NCET was set up by the Government in 1988 to support, encourage,

develop and apply the use of learning systems and new technologies, including microcomputers, electronic systems and other aspects of IT, to education and training. The corresponding body in Scotland is the Scottish Council for Educational Technology.

Other government funding includes:

- £750,000 for the development of 19 new National Curriculum software packages;
- £410,000 to install information relating to the National Curriculum on NERIS (National Educational Resources Information Service—an electronic database, see below);
- £1.3 million for the development of five mathematics interactive video discs; and
- finance for software to give blind and partially sighted students full access to CD-ROM materials.

In Wales the Welsh Office has financed the provision of satellite receiving equipment for secondary schools throughout the country.

In Northern Ireland, information technology is one of the six compulsory educational themes forming part of the curriculum for all pupils of statutory school age in grant-aided schools. The objectives of the IT theme are:

- knowledge, understanding and skills in IT;
- application of IT;
- enhancing the quality of learning, living and working through IT; and
- evaluating the impact of IT.

Educational Aids

Teachers and pupils use a range of aids to assist the processes of teaching and learning. The government-funded National Educational Resources Information Service enables schools to find out about teaching aids. Most schools have audio-visual equipment such as slide projectors and overhead projectors, and educational broadcasting is of major importance. The BBC and the independent broadcasting companies transmit radio and television programmes designed for schools. Teachers' notes, pupils' pamphlets and

computer software accompany many broadcast series. All primary and secondary schools use microcomputers (see p 159).

Careers Education and Guidance

Careers education is used to raise awareness of further and higher education and careers opportunities and helps young people to prepare for working life. The work of the Careers Service at local level is supported by information material produced by the Government's Careers and Occupational Information Centre. A computer-assisted careers guidance system has been developed with funding from the Government for students in higher education.

The Government has encouraged local education authorities to enter into partnership with Training and Enterprise Councils and Local Enterprise Companies (see p 168) to oversee the operation of the Careers Service locally.

In Northern Ireland, careers education is one of the six compulsory education themes forming part of the school curriculum.

Health and Welfare of Schoolchildren

Physical education, including organised games, is part of the curriculum of all maintained schools, and playing fields must be available for pupils over the age of eight. Most secondary schools have a gymnasium.

Government health departments are responsible for the medical inspection of schoolchildren and for advice on, and treatment of, medical and dental problems associated with children of school age. The Government believes that the education service has a role to play in preventing and dealing with juvenile drug misuse and in helping to prevent the spread of AIDS. Government funds have supported the appointment in most local education authorities of drugs and health education co-ordinators for schools, colleges and the youth service.

Local education authorities are largely free to decide what milk, meals or other refreshment to offer at their schools, and the charges to make. Provision has to be made

free of charge, however, for pupils from families receiving certain social security benefits. Under certain conditions the authorities must supply free school transport, and they have discretionary powers to help with the cost of travel to school. In Northern Ireland school meals must be provided for primary, special and grant-aided nursery school pupils.

Corporal punishment is prohibited by law in maintained schools in Britain.

POST-SCHOOL EDUCATION

Legislation passed in 1992 is designed to transform post-compulsory education and training in England, Wales and Scotland. The reforms are ending the distinction between universities, polytechnics and other higher education establishments. New higher education funding councils in England, Scotland and Wales will be responsible for allocating public funds for teaching and general research. New links will be created to continue the present close relationship with Northern Ireland's existing unitary structure. Degree awarding powers are being extended to all major institutions and there will be new quality assurance arrangements. Polytechnics have taken advantage of the right to call themselves universities.

Further education and sixth-form colleges will become autonomous institutions outside local education authority control, financed through new and separate further education funding councils for England and Wales from April 1993. By the mid-1990s, every 16- and 17-year-old leaving full-time education in Great Britain will be encouraged to undertake vocational education or training by the offer of a training credit, enabling them to buy training from the establishment of their choice. Every 16- and 17-year-old in Great Britain is guaranteed a place in full-time education or training.

Post-school education takes place at universities, the Scottish central institutions and colleges of education, further and higher education colleges, adult education centres, colleges of technology, colleges of art and design, and agricultural and horticultural colleges. There are also many independent

specialist establishments, such as secretarial and correspondence colleges, and colleges for teaching English as a foreign language.

Voluntary and public bodies offer cultural and general education, sometimes with assistance from local education authorities and central government. Education and training schemes can be run by public or private organisations.

Credit accumulation and transfer schemes are in use in many English and Welsh post-school establishments. In Scotland a credit accumulation scheme covers courses in all further and higher education. Opportunities for further and higher education and training are publicised by national information services, such as the Educational Counselling and Credit Transfer Information Service, funded by the Department for Education.

The Further Education Unit, with funding from the Department for Education and the Welsh Office, is an advisory and development body for further education. The Scottish Further Education Unit performs a parallel role.

Students

The proportion of young people entering higher education rose from 1 in 8 in 1980 to 1 in 5 by 1990 and is expected to reach 1 in 3 by the year 2000. One of the Government's main aims is to change the balance of provision in favour of scientific, technological and directly vocational courses.

Around 1.5 million students in Britain are taking full-time post-school education courses, including sandwich courses where substantial periods of full-time study alternate with periods of supervised experience on a relevant job. There are also 4 million part-time enrolments, half of whom are in adult education (see p 168).

Student Grants and Loans

Over 90 per cent of full-time students in England and Wales on first degree and other comparable higher education courses are eligible for mandatory awards. They cover tuition fees and maintenance, with parents contributing to maintenance costs according

to income. They are awarded by local education authorities in England and Wales for courses leading to a first degree or a comparable qualification. Grants for other courses are given at the discretion of a local education authority. Similar schemes are administered by the Scottish Office Education Department and the Northern Ireland education and library boards. Grants for post-graduate study are offered by the government education departments, the British Academy and by the research councils (see Chapter 21). Some scholarships are available from endowments and also from particular industries or companies.

Most students in full-time higher education up to first degree level can get a top-up maintenance loan of up to £830 in 1992–93 and indexed to inflation. The scheme is designed to share the cost of student maintenance more equitably between students, parents and the taxpayer.

Higher Education

Higher education is provided in the form of degree and other courses of a standard higher than the General Certificate of Education Advanced level or its equivalent. The Government considers that access to higher education courses should be available to all those who can benefit from them and have the necessary intellectual competence, motivation and maturity.

Although GCE A levels and their equivalents in Scotland have traditionally been the standard for entry to higher education courses, other qualifications and courses are now considered equally appropriate. These are AS levels, BTEC and other vocational qualifications (see p 165) and access/foundation courses (see p 163). The Scottish Wider Access Programme (SWAP) is designed to promote wider participation in higher education, especially by more mature students and those without the normal entry requirements. Successful completion of a SWAP course guarantees a higher education place.

In order to maintain British expertise in technology, recent government schemes have sought to expand higher education and

research in electronics, engineering and computer science by making available extra student places, and additional staff and research fellowships. A Graduate Enterprise Programme offers 450 places on management training courses for recently qualified graduates.

Universities

There are 79 universities, including the Open University. They are governed by royal charters or by Act of Parliament and enjoy complete academic freedom. They appoint their own staff, decide which students to admit, provide their own courses and award their own degrees. The universities of Oxford and Cambridge date from the twelfth and thirteenth centuries, and the Scottish universities of St Andrews, Glasgow, Aberdeen and Edinburgh from the fourteenth and fifteenth centuries. All the other universities in Britain were founded in the nineteenth and twentieth centuries. The 1960s saw considerable expansion in the number of universities and students. The number of universities increased considerably in 1992 when polytechnics and some other higher education establishments were given the freedom to obtain university status and chose to exercise it.

Admission to universities is by selection. Of the 353,000 full-time home and overseas university students in 1990–91, excluding those at the University of Buckingham, 64,000 were postgraduate. There are just under 30,000 full-time university teachers paid wholly from university funds. The ratio of staff to full-time students is about 1 to 11. Except at the Open University, first degree courses are mainly full time and usually last three years. However, there are some four-year courses, and medical and veterinary courses normally require five years.

Degree titles vary according to the practice of each university. In England, Wales and Northern Ireland the most common titles for a first degree are Bachelor of Arts (BA) or Bachelor of Science (BSc) and for a second degree Master of Arts (MA), Master of Science (MSc), and Doctor of Philosophy (PhD). In the older Scottish universities

Master is used for a first degree in arts subjects. Uniformity of standards between universities is promoted by employing external examiners for all university examinations.

Research is an important feature of university work; most staff combine research with their teaching duties and about half of postgraduate students are engaged on research projects. The Government has been seeking greater accountability and selectivity in research. It is encouraging universities to co-operate closely with industry on research projects.

Since 1967 a major contribution to post-school education in England and Wales has been made by the polytechnics, most of which were established after 1967 and have now become universities with the freedom to award their own degrees from 1993. They offer courses in a wide range of subjects, including those leading to first and higher degrees and graduate-equivalent qualifications. They also run courses leading to the examinations of the chief professional bodies, and to qualifications such as those of the Business and Technology Education Council.

Access and foundation courses provide a preparation and an appropriate test before enrolment on a course of higher education for prospective students who possess non-standard entry qualifications. Many are from the ethnic minority communities. The growth of access courses has been very rapid in recent years; about 600 are now available nationwide.

Polytechnics traditionally had close links with commerce and industry, and many students have jobs and attend on a part-time basis. Similar provision is made in Scotland in the 13 central institutions (which include polytechnics) and 50 further education colleges, and in Northern Ireland by the University of Ulster.

In England and Wales institutes and colleges of higher education, formed by the integration of teacher training with the rest of higher education, account for a significant proportion of higher education students. Some further education colleges run higher education courses, often of a specialised nature.

Large numbers of students on higher education courses in Great Britain in polytechnics and other higher education institutions have taken courses leading to the award of degrees and other academic qualifications by the Council for National Academic Awards (CNAA). The CNAA will be abolished in 1993, as higher education institutions will award their own degrees.

Open University

The Open University is a non-residential university offering degree and other courses for adult students of all ages in Britain and other parts of Europe. It uses a combination of specially produced printed texts, correspondence tuition, television and radio broadcasts, audio and video cassettes, and residential schools. There is also a network of study centres for contact with part-time tutors and counsellors, and with fellow students. No formal academic qualifications are required to register for most courses, but the standards of the University's degrees are the same as those of other universities. Its first degree is the BA (Open), a general degree awarded on a system of credits for each course completed. In 1991 there were 79,500 registered undergraduates, and in all some 115,000 first degrees have been awarded since the University's inception.

The University has a programme of higher degrees, Bachelor of Philosophy (BPhil), MPhil and PhD, available through research, and MA, MSc and Master of Business Administration (MBA) through taught courses. About 7,500 students were registered on higher degree courses in 1992.

The University also has programmes for professionals in education and the health and social welfare services, and for up-dating managers, scientists and technologists. Some of these are presented as multi-media courses taught in a similar way to courses in the undergraduate programme, and others are in the form of self-contained study packs. In 1992, about 39,000 students were following courses in these areas and 80,000 study packs were sold.

The University has advised many other countries on setting up similar institutions. It

has made a substantial contribution to the new Commonwealth of Learning project, which brings together distance-teaching establishments and students throughout the Commonwealth.

Further Education

Further education comprises all provision outside schools to people aged over 16 of a standard up to and including GCE A level or equivalent. Courses are run by over 500 colleges of further education, many of which also offer higher education courses. Most of these colleges are currently controlled by local education authorities; from April 1993, they will be controlled by autonomous further education corporations with substantial representation from business. Funds will be allocated by further education funding councils. In Scotland the new modular courses at the non-advanced level (see p 165) can be taken in schools, further education colleges or as part of government training schemes. In Northern Ireland further education refers to full-time and part-time education for people over 16.

Much further education is work-related and vocational, although most colleges also provide non-vocational courses, including GCSE and GCE A level courses. The system is flexible and enables the student to acquire whatever qualifications his or her capabilities and time allow.

Many students on further education courses attend part time, either by day release or block release from employment or during the evenings. The further education system has strong ties with commerce and industry, and co-operation with business is encouraged by the Government and its agencies. Employers are normally involved in designing courses.

Further education colleges supply much of the education element in training programmes like Youth Training and Employment Training, both sponsored by the Department of Employment (see Chapter 18). All young people on Youth Training will be offered training and vocational education leading to qualifications at or equivalent to a minimum of level 2 in

the framework established by the National Council for Vocational Qualifications and the Scottish Vocational Education Council.

Vocational Qualifications

The National Council for Vocational Qualifications (NCVQ) was set up in 1986 to reform and rationalise the vocational qualifications system in England, Wales and Northern Ireland. It is establishing a new framework of National Vocational Qualifications (NVQs) based on defined levels of achievement to which qualifications in all sectors can be assigned or accredited.

The following five levels of NVQs have been established:

Level 1: Competence in the performance of a range of work activities, most of which may be routine.

Level 2: Competence in a significant range of work activities, some of which are complex or non-routine, and require some responsibility.

Level 3: Competence in a broad range of work activities, most of which are complex and non-routine.

Level 4: Competence in a significant range of complex technical or professional work activities performed in a wide variety of contexts with a substantial degree of personal responsibility.

Level 5: Competence involving the application of a significant range of fundamental principles and complex techniques in a wide variety of contexts; very substantial personal autonomy and often significant responsibility for the work of others and for the allocation of substantial resources are strongly featured.

The first four levels have started operating and coverage will be virtually complete by

the end of 1994. The Government wants 50 per cent of the employed workforce to have attained NVQ level 3 or equivalent by the year 2000.

The Council is also working on the development of broadly based qualifications for inclusion within the NVQ framework which will prepare young people for a range of related occupations and provide progression to higher education.

The competence-based system is being extended in Scotland through a new system of Scottish Vocational Qualifications (SVQs) along the lines of NVQs. SVQs are accredited by the Scottish Vocational Education Council. NVQs and SVQs have equal recognition throughout Britain.

Under recent legislation, more general job-related qualifications will be devised for those seeking a broad preparation for employment. The Government will promote equality of status for academic and vocational qualifications by developing new Ordinary and Advanced Diplomas. Students gaining an appropriate number of GCSE passes, equivalent vocational qualifications or a combination of these will receive the Ordinary Diploma. The Advanced Diploma will be awarded to those passing GCE A level and AS level examinations, students gaining vocational qualifications at the same level and those with passes in a mixture of the two.

Other Examining Bodies

The Business and Technology Education Council (BTEC) plans and administers a unified national system of courses at all levels for students in industry, commerce and public administration in England, Wales and Northern Ireland.

The Scottish Vocational Education Council (SCOTVEC) is the principal examining and awarding body in the field of further education in Scotland. A flexible system of vocational courses for 16- to 18-year-olds, based on short units of study, has been introduced in schools and colleges in disciplines like business and administration, engineering and industrial production. These courses are also intended to meet the needs

of many adults entering training or returning to education. The courses lead to the award of the non-advanced National Certificate. Similar courses are also available at advanced levels.

Qualifications in a range of occupational areas are offered by the City and Guilds of London Institute, and qualifications in commercial and office practice are awarded by the Royal Society of Arts.

Teacher Training

Almost all entrants to teaching in maintained and special schools in England and Wales complete a recognised course of initial teacher training. Such courses are offered by university departments of education as well as other higher education establishments. Non-graduates usually qualify by taking a four-year Bachelor of Education (BEd) honours degree. There are also specially designed two-year BEd courses—mostly in subjects where there is a shortage of teachers at the secondary level—for suitably qualified people. Graduates normally take a one-year Postgraduate Certificate of Education (PGCE) course. Two-year PGCE courses are available in the secondary shortage subjects for those whose first degree in an associated subject included at least one year's study of the subject they intend to teach.

Reforms

Under new government reforms in England and Wales, schools will play a much larger part in initial teacher training as full partners of higher education institutions. Under new criteria which will come into force in the period between September 1992 and September 1994, the amount of time spent by students in schools during teacher training is being increased so that at least two-thirds of training will take place in the classroom. Graduates on a 36-week one-year course, for instance, will train in schools for at least 24 weeks instead of 15.

The Government expects that partner schools and institutions will exercise a joint responsibility for planning and managing courses and for the selection, training and

assessment of students. Schools will train students to teach their specialist subjects, assess pupils and manage classes; they will also supervise students and assess their competence. Higher education institutions will be responsible for ensuring that courses meet requirements for academic validation, presenting courses for accreditation and awarding qualifications to successful students.

Accreditation

Under recent reforms institutions rather than courses will be accredited. An institution will have to submit a five-year development plan to the Council for the Accreditation of Teacher Education (CATE). An inspection by the schools inspectorates in England and Wales will then take place, followed by a response from the institution. CATE will consider the inspectorate's report and the response and then make a recommendation to the Secretary of State, who will take the final decision on accreditation.

Other Training

Articled teacher courses, offering school-based training for graduates, were introduced in 1990. Trainees, who receive a bursary, take on a progressively greater teaching load, and formal training is provided both in initial teacher-training institutions and in school by college tutors and school teachers.

In 1989 the Government introduced a licensed teacher scheme in England and Wales for people without formal teacher-training qualifications but with relevant qualifications and experience. Participants generally have to complete a period of two years of in-service training as a licensed teacher before achieving qualified teacher status. The Government has also made it easier for teachers trained abroad to take up posts in English and Welsh schools. Trained teachers from other European Community countries are automatically granted qualified teacher status, while non-Community teachers undergo a training and evaluation period of between three months and two years.

Scotland

In Scotland all teachers in education authority schools must be registered with the General Teaching Council for Scotland. It is government policy that all entrants to the teaching profession in Scotland should be graduates. New primary teachers qualify either through a four-year BEd course or a one-year postgraduate course of teacher training at a college of education. In addition, the University of Stirling offers courses which combine academic and professional training for intending primary and secondary teachers. Teachers of academic subjects at secondary schools must hold a degree containing two passes in the subjects which they wish to teach. Secondary teachers must undertake a one-year postgraduate training course. For music and technology, four-year BEd courses are also available, and for physical education all teachers take BEd courses.

All courses in Scotland have been revised following recommendations of working parties on teacher training. All new pre-service and major in-service courses provided by colleges of education must be approved by the Scottish Office Education Department and a validating body. Education authorities are to be asked to implement national guidelines for the introduction of systematic schemes of staff development and appraisal. The Government has taken reserve powers requiring authorities to operate schemes prescribed by it in the event of a breakdown of voluntary agreements.

Northern Ireland

Teacher training in Northern Ireland is provided by the two universities and two colleges of education. The principal courses are BEd Honours (four years), BA Honours (Education) and the one-year Postgraduate Certificate of Education. Education and library boards have the statutory duty to ensure that teachers are equipped with the necessary skills to implement education reforms and the Northern Ireland Curriculum.

Education–Business Links

The Government considers that co-operation between the education system and business is essential to help people of all ages acquire the skills necessary to maintain Britain's position as a leading industrial and trading nation.

Much is being done under the Government's Technical and Vocational Education Initiative (TVEI—see p 157), to which £900 million has been allotted from 1987 to 1997, and through Education–Business Partnerships (see below). As a result of these and other initiatives, matters relating to industry and commerce are being embedded in the curricula of schools, colleges and universities, and in examinations. The relevance of classroom activities to working life was central to the thinking behind the introduction of the General Certificate of Secondary Education and the National Curriculum. In Scotland this led to the introduction of Standard Grade and revised Higher examinations (see p 158) and other developments.

Businessmen and women are involved in curriculum development and enterprise activities for schoolchildren. In addition, they are represented in greater numbers on the governing bodies of schools and other institutions.

A shift in provision is occurring in post-school education from the arts and social sciences towards science, engineering, technology and directly vocational courses. Business and post-school education institutions are being encouraged to collaborate more closely for their mutual benefit. The latter may give enterprise training to students under the Government's Enterprise in Higher Education scheme to help students acquire the expertise required by industry.

Secondary School Education

Government policy is to ensure that every year 10 per cent of teachers should be given the opportunity to gain some business experience; and that every trainee teacher should have an appreciation of the needs of employers. Some 30,000 teachers spent time

working in industry during 1991–92 under a scheme administered by the Confederation of British Industry.

The Government also wants all pupils to have at least two weeks' work experience before leaving school. More than 71 per cent of schoolchildren aged 15–16 undertook work experience placements in 1989. In addition, increasing numbers are undertaking vocational work experience and work shadowing placements between the ages of 16 and 18. City technology colleges, sponsored by industry and commerce, provide a broadly based secondary education for girls and boys of all abilities (see p 153).

Compacts

Under the Compacts scheme launched by the Government in 1988, there are local agreements between employers, local education authorities and training providers. Young people, supported by their school or college, work to reach agreed targets, and employers undertake to provide a job with training or training leading to a job for those attaining the targets. Some 700 schools are participating in Compact schemes and 140,000 young people are involved. The Government is making available more than £28 million over four years from 1990 to support Compacts, which are being extended nationwide.

Education–Business Partnerships

The Government's local Education–Business Partnerships are formal bodies of senior representatives from education, business and the wider community. Members work together to co-ordinate school and college education–business links and develop activities in their local areas. Government funds for partnerships (£5 million in the period between 1991 and 1993) are distributed through Training and Enterprise Councils (see p 168).

Post-school Education

A network of 82 employer-led Training and Enterprise Councils (TECs) in England and

Wales is intended to make training and enterprise activities more relevant to the needs of employers and individuals locally. In Scotland, 22 Local Enterprise Companies (LECs) have a similar role. The Training and Employment Agency is responsible for training and employment programmes and activities in Northern Ireland.

Some TECs and LECs, working in close co-operation with local education authorities and other education interests, have been running pilot schemes of Training Credits, which offer an entitlement to train to approved standards for young people leaving full-time education.

Over 40 science parks have been set up by higher education institutions in conjunction with industrial scientists and technologists to promote the development and commercial application of advanced technology. In addition, a network of regional technology centres links colleges and universities with local firms. Some are operating on a fully commercial basis.

The Government's LINK scheme (see Chapter 21) aims to encourage firms to work jointly with higher education institutions on government-funded research relevant to industrial needs.

Further Education for Adults

Adult education is provided by further education colleges, adult colleges and centres, and by voluntary bodies such as the Workers' Educational Association. From April 1993, the duty to provide it will be shared by the new further education funding councils and by local education authorities.

In addition to cultural and craft pursuits, students follow courses leading to academic and vocational qualifications, and courses which provide access to higher education. Adults' special educational needs for literacy and numeracy are also met, and there is provision for those seeking proficiency in English as a second language.

ALBSU

The Adult Literacy and Basic Skills Unit (ALBSU) is concerned with adult literacy,

numeracy and related basic skills in England and Wales. It provides consultancy and advisory services, organises staff training and produces materials for teachers and students. Government funding is £3.2 million in 1992-93. Another programme is Basic Skills at Work, with government funding of £3 million; it is targeted at unemployed people and those in work who cannot progress without better basic skills.

Open College

Open learning opportunities have been extended with the formation in 1987 of the Open College, an independent company set up with government support. The College brings together broadcasters, educationists and sponsors, and provides vocational education and training courses below degree level. Up to £12 million is being allocated by the Government for the College's commercial activities as well as £6 million for broadcasting. Programmes are broadcast by Channel 4. The Open College of the Arts, also launched in 1987, offers an art foundation course to those wishing to study at home.

National Institute of Adult Continuing Education

The National Institute of Adult Continuing Education is a centre of information, research, development work and publication. It:

- advises and co-ordinates policy and practice; and
- acts as a channel of communication for the organisations it represents.

Scottish Community Education Council

The Scottish Community Education Council advises the Government and promotes all community education matters, including adult literacy and basic education, and the youth service in Scotland.

EDUCATIONAL RESEARCH

Educational research is supported financially by central and local government, the

Economic and Social Research Council (see Chapter 21), philanthropic organisations, higher education institutions, teachers' associations and certain independent bodies.

The major research institution outside the universities is the autonomous National Foundation for Educational Research in England and Wales. The Scottish Council for Research in Education and the Northern Ireland Council for Educational Research have similar functions.

EDUCATIONAL LINKS OVERSEAS

Large numbers of people come to Britain from overseas to study, and British people work and train overseas. The British aid programme encourages links between educational institutions in Britain and developing countries.

In schools, colleges and universities in Britain there has been an expansion of interest in European studies and languages, with exchanges of teachers, schoolchildren and students taking place. The exchange of students is promoted by a European Community scheme (ERASMUS) under which grants are provided to enable Community students to study in other member states. Some 19,000 students from Britain have benefited from the scheme.

The Community's LINGUA programme seeks to encourage the teaching and learning of foreign languages throughout the Community. It gives grants towards joint educational projects and exchanges for young people undergoing professional, vocational and technical education; it also covers measures to develop language training materials for business.

The European Community Action Programme for Education and Training for Technology (COMETT) aims to foster co-operation between higher education establishments and commercial organisations in technological training.

Community member states have created nine European schools, including one at Culham, Oxfordshire, to provide a multinational education for the children of staff employed in Community institutions.

Overseas Students in Britain

People come to Britain from all over the world to study. British universities and other further and higher education establishments have built up their reputation overseas by offering tuition of the highest standards, maintaining low student-to-staff ratios, and offering relevant courses and qualifications.

In the academic year 1990–91 there were about 87,000 overseas students at universities and other public sector establishments of further and higher education. In addition, many thousands of people from abroad were training for nursing, law, banking and accountancy, and service and other industries. About 40 per cent of all overseas students were from the Commonwealth and Britain's dependent territories. There were about 26,000 from the other European Community member states.

About a third of students enrolled for full-time postgraduate study or research in Britain in 1990–91 came from overseas. Several British colleges of further education have entered into arrangements with British universities to provide bridging courses for overseas students before they enter university.

Most overseas students pay their own fees and expenses or hold awards from their own governments. Those following courses of higher or further education pay fees which cover the full cost of their courses. Nationals of other member countries of the European Community generally pay the lower level of fees that applies to British students; if their courses are designated for mandatory awards, they may be eligible for fees-only awards from local education authorities.

Government Scholarship Schemes

The Government makes considerable provision for students and trainees from overseas under its overseas aid programme and other award and scholarship schemes. In 1990–91 nearly 25,000 overseas students were supported, including some studying overseas, at a cost of more than £140 million.

Under the Overseas Development Administration Shared Scholarship Scheme, 190 awards were offered in 1991–92, primarily at postgraduate level, for students from the developing countries of the Commonwealth, with costs being shared between the British Government and the educational institutions.

The Foreign & Commonwealth Office Scholarships and Awards Scheme (FCOSAS), which operates in some 140 countries, is designed to bring to Britain present and future leaders, decision-makers and formers of opinion. A notable feature of the FCOSAS is the increasing number of awards jointly financed by the Foreign & Commonwealth Office in partnership with the private sector and academic institutions. The Department of Trade and Industry also finances a trade-related scholarship scheme in partnership with British industry.

Outside the aid programme, the Overseas Research Students Awards Scheme, funded by the Department for Education, provides assistance for overseas research students of high ability to attend British universities.

Other Schemes

Many public and private scholarships and fellowships are available to students from overseas and to British students who want to study overseas. Among the best known, and open to men and women in all walks of life, are the British Council Scholarships, the Commonwealth Scholarship and Fellowship Plan, the Fulbright Scholarship Scheme, the Marshall Scholarships, the Rhodes Scholarships, the Churchill Scholarships and the Confederation of British Industry Scholarships. Most British universities and colleges offer scholarships for which graduates of any nationality are eligible.

English as a Foreign Language

The continuing increase in interest in English as a foreign language is reflected in the growth of public sector English language courses and in the number of private language schools in Britain. Over 240

private schools are recognised by the British Council. The Council has English-language teaching centres in other countries and also runs a programme for teaching English related to specific jobs and skills. Other British language schools enable people to learn English in their own countries, while in Britain university language and linguistics departments are an important resource. The Government's aid programme supports the teaching of English in many developing countries. Publications and other material relating to English language teaching have increased in number and are now a large component in many publishers' lists, constituting a major export.

BBC English, the English teaching arm of the BBC's World Service, offers a worldwide facility for the individual learner at home on radio and, with the advent of the new World Service Television operation, increasingly on television.

Educational Exchanges

British Council

The British Council promotes cultural and educational relations with other countries. It plays an important part in the management of the aid programme to education. Its main functions are to:

- recruit teachers for work overseas;
- organise short overseas visits by British experts;
- encourage cultural exchange visits; and
- foster academic interchange between British higher education institutions and those in other countries.

Co-operation between higher education in Britain and developing countries is promoted with funding from the Overseas Development Administration. It is brought about through recruiting staff for overseas universities, the secondment of staff from British higher education establishments, interdepartmental faculty links, local staff development, short-term teaching and advisory visits, and general consultancy services.

Central Bureau for Educational Visits and Exchanges

The national Central Bureau for Educational Visits and Exchanges, funded by the Government, provides information and advice on all forms of educational visits and exchanges. In addition, it:

- administers and develops a wide range of curriculum-related exchange schemes;
- links educational establishments and local education authorities with their counterparts in other countries; and
- organises meetings, workshops and conferences on professional international experience.

The Bureau administers teacher exchanges in Europe and the United States, short courses for language teachers, and international study visits. Opportunities for young people include school and class links and English language summer camps. For the post-16 age group, there are work placements and English language assistants' posts, as well as other exchange programmes.

Association of Commonwealth Universities

The Association of Commonwealth Universities promotes contact and co-operation between nearly 400 member universities in 31 Commonwealth countries or regions. It assists student and staff mobility by administering award schemes, including, for Britain, the Commonwealth Scholarship and Fellowship Plan and the Overseas Development Administration Shared Scholarship Scheme, and by operating an academic appointments service. It publishes information about Commonwealth universities, courses and scholarships, and organises meetings in different parts of the world.

Other Organisations

The Commonwealth Education Liaison Committee supplements normal direct dealings on education between Commonwealth countries. The United

Kingdom Council for Overseas Student Affairs is an independent body serving overseas students, and those concerned with student affairs.

The Youth Exchange Centre, managed by the British Council, gives advice, information, training and grants to British youth groups involved in international exchanges. The Centre is the national agency for the European Community-sponsored exchange scheme, Youth for Europe.

The Youth Service

The purpose of the youth service is to help young people develop their potential as individuals in the transition from childhood to adult life. It is voluntary and is managed by local authorities and independent organisations.

The National Youth Agency, which is funded by the Government, supports the service and promotes partnership between the two sectors. The Agency's functions include curriculum development, youth worker training, support for managers of organisations within the youth service and support for international work. It is also responsible for collecting and publishing information on youth service matters.

The Welsh Office provides grant aid to national youth service bodies with headquarters in Wales and has established a Wales Youth Agency which is similar to the Agency in England.

In Scotland the youth service forms a part of adult education, which is integrated within community education. The Scottish Community Education Council has the role of promoting community education. The Youth Council for Northern Ireland, with executive and advisory powers, was set up in 1990.

Voluntary Youth Organisations

National voluntary youth organisations undertake the major share of youth activities through local groups, which raise most of their day-to-day expenses by their own efforts. Many receive financial and other

help from local education authorities, which also make available facilities in many areas. The voluntary organisations vary greatly in character and include the uniformed organisations like the Scouts and Girl Guides. Other organisations are church-based. Some also represent Jews and Muslims. Sport and the arts are catered for. Many local authorities and voluntary youth organisations have responded to new needs in society by making provision, for example, for the young unemployed, young people from the ethnic minorities, young people in inner cities or rural areas and those in trouble or especially vulnerable. Other areas of concern are homelessness and provision for handicapped young people.

Many authorities have youth committees on which official and voluntary bodies are represented, and employ youth officers to co-ordinate youth work and to arrange in-service training. There are also youth councils, which are representative bodies of young people from local youth organisations.

Youth Workers

In England and Wales a two-year training course at certain universities and higher education colleges leads to the status of qualified youth and community worker; several undergraduate part-time and postgraduate courses are also available. In Scotland one-, two- and three-year courses are provided at colleges of education and in Northern Ireland courses are run by the University of Ulster.

An estimated 6,000 full-time youth workers are supported by some 535,000 part-time workers, both qualified and unqualified, many of them unpaid. Short courses and conferences are held on youth and community work. There are also in-service courses for serving youth workers and officers. Initial and in-service courses are professionally validated by the National Youth Agency. Youth

counselling is supported by the National Association of Young People's Counselling and Advisory Services.

Other Organisations Concerned with Young People

Finance is provided by many grant-giving foundations and trusts for activities involving young people. King George's Jubilee Trust supports work involving young people aged 8 to 25. The Queen's Silver Jubilee Trust supports young people up to the age of 25 involved in voluntary community service work. In addition, The Prince's Trust assists disadvantaged young people aged 14 to 25.

The Duke of Edinburgh's Award Scheme enables young people from Britain and other Commonwealth countries to take part, with voluntary help from adults, in challenging activities such as community service, expeditions, the development of personal interests and social and practical skills, and physical recreation.

Voluntary Service by Young People

Thousands of young people voluntarily undertake community service designed to help those in need, including elderly and disabled people. Organisations providing opportunities for community service, such as Community Service Volunteers, International Voluntary Service and the British Trust for Conservation Volunteers, receive grants from the Government. Many schools also organise community service work as part of the curriculum, and voluntary work in the community is sponsored by a number of churches.

Young Volunteers in the Community recruits young people aged 16 to 24 to work on a variety of community projects for 12 to 18 weeks. It is operated jointly by The Prince's Trust and the Commission on Citizenship.

8 Planning, Urban Regeneration and Housing

Britain seeks to reconcile the conflicting demands for land from business, housing, transport, farming and leisure, and to protect the environment by means of a comprehensive statutory system of land-use planning and development control. A comprehensive programme to revitalise the inner cities and other urban areas, such as peripheral housing estates, includes a number of initiatives designed to encourage enterprise, employment and educational opportunities, and to improve the quality of housing and the urban environment.

Planning

The system of land-use planning in Great Britain involves local authorities acting under the supervision of the Secretaries of State for the Environment, Wales and Scotland.¹ The Department of the Environment brings together the major responsibilities in England for land-use planning, housing and construction, countryside policy and environmental protection. The Welsh Office and the Scottish Office have broadly equivalent responsibilities.

These departments provide national and regional guidance on planning matters, while strategic planning at the county level is the responsibility of the county councils. District councils are responsible for local plans and development control. In the metropolitan areas and London, the borough and district councils are preparing new unitary

development plans for each administrative area. In Scotland the planning context is set by the Scottish Office and planning functions are undertaken by regional and district councils, whose responsibilities are divided on a basis broadly similar to that in England and Wales. In the more rural regions and the islands, the regional and islands councils respectively have responsibility for planning. In Northern Ireland the Department of the Environment for Northern Ireland is responsible for planning matters through six divisional planning offices, which work closely with the district councils.

Most development requires 'planning permission'; applications are dealt with in the light of development plans (which set out land use strategies for each area on such matters as housing and industry) and other material planning considerations. However, many minor developments do not need specific planning permission. Government policy is to remove unnecessary planning controls as part of its policy to promote enterprise. The Government's aim is for the maximum use to be made of urban land for new development, having regard to the need to retain green spaces within the urban environment and the need to ensure that the cumulative effects of development do not harm the character of established residential areas.

Development Plans

The present development plan system in England and Wales involves structure, local and unitary development plans:

¹ For further details see *Planning* (Aspects of Britain: HMSO, 1992).

- structure plans, prepared by county planning authorities, set out broad policies for the development and other use of land;
- local plans provide detailed guidance for development expected to start within about ten years and are normally prepared by district councils in general conformity with the approved structure plan; and
- unitary development plans set out both strategic and detailed land use and development policies for metropolitan districts or boroughs.

Plans are kept under review and may be altered from time to time. Planning authorities must take account of any strategic or regional guidance issued by the Secretary of State when formulating the plans.

In Scotland structure plans are prepared by regional or islands authorities, and local plans by those districts with planning responsibilities, and by general planning and islands authorities. Under Northern Ireland's single-tier system, plans are prepared by the Department of the Environment for Northern Ireland.

The Planning and Compensation Act 1991 has reformed the planning system in the non-metropolitan areas of England and Wales by introducing mandatory district-wide local plans and streamlining procedures for their adoption. Under the new system, the strategic role of the counties remains, but their planning policies are not subject to the formal approval of the Secretary of State. They are, however, required to ensure that their statements are consistent with any regional guidance from the Secretary of State.

Public Participation

Members of the public are given an opportunity to express their views on the planning of their area during the early stages of plan preparation. Local planning authorities must ensure publicity for the proposed content of their plans; representations may be made to the authorities. There are also provisions for objecting to draft plans, and for hearing and resolving such objections.

There is a long-standing requirement for certain planning applications to be publicised locally—for example where proposals for development differ greatly from the intentions of a development plan or those affecting conservation areas. In Scotland a neighbour notification system requires the applicant to notify the owners and occupiers of land and buildings adjoining the site of a proposed development at the same time as the application is submitted to the local planning authority.

During 1992, the Government will introduce a requirement that *all* planning applications in England and Wales receive publicity. The exact form of publicity required varies between types of development; it includes site notices, newspaper advertising and neighbour notification.

The applicant has a right of appeal to the Secretary of State if the local authority refuses planning permission, grants it with conditions attached or fails to decide an application within eight weeks. Such appeals are decided either on the basis of written submissions or, generally in the case of important applications, after a public inquiry.

Similar provision is made in Northern Ireland for public participation in the planning process and for the hearing of representations at public inquiries. For planning applications which do not give rise to public inquiries the applicant has a right of appeal to the independent Planning Appeals Commission.

Major Schemes

For projects which are likely to have significant effects upon the environment, a planning application must be accompanied by an environmental statement. This should describe the likely significant environmental effects and propose measures to avoid, reduce or remedy any significant adverse effects identified. Planning permission cannot be given without first taking into consideration the environmental statement for the project and representations received in response to its

publication. The public must be given the opportunity to comment on the statement, and copies will be sent to relevant public bodies, such as the Countryside Commission and English Nature, so that they can make representations to the local planning authority.

The Secretaries of State can direct that a planning application be referred to them for decision. This power to 'call in' is generally exercised only for proposals which raise planning issues of national or regional importance. The applicant and the local planning authority have the right to be heard by a person appointed by the Secretary of State for that purpose and a public inquiry will normally be held. In Northern Ireland, major planning applications are dealt with under the Planning (NI) Order 1991, which allows for a public inquiry in certain circumstances.

New Towns

The 32 new towns designated since 1946—21 in England, two in Wales, five in Scotland and four in Northern Ireland—have now largely achieved their aims of dispersal of industry and population from congested cities and the stimulation of regional economies. The new towns have a total population of over 2 million; several have become important regional centres.

Architectural Standards

High standards in new building are welcomed by the Government, although it encourages local planning authorities not to impose their architectural tastes on developers. The Department of the Environment, in collaboration with the independent Royal Institute of British Architects (RIBA) and the National House-Building Council, sponsors the biennial Housing Design Awards Scheme for England and Northern Ireland, with categories for renovation as well as new building. Scotland and Wales have similar award schemes. Royal Fine Art Commissions for England and Wales and for Scotland advise government departments, planning authorities and other public bodies on

questions of public amenity or artistic importance.

The RIBA, the principal professional body for architects, together with the Architects Registration Council of the United Kingdom, exercises control over standards in architectural education and encourages high architectural standards in the profession. The Royal Incorporation of Architects in Scotland is allied to it, as is the Royal Society of Ulster Architects. The Government is reviewing the arrangements for the registration of architects.

Urban Regeneration

Despite much progress in urban regeneration, areas of deprivation still exist. These relatively small areas can have a blighting effect on a city's image. The Government is therefore continuing to tackle urban deprivation.

The 'Action for Cities' initiative, launched in 1988, brought together a comprehensive package for revival in England, involving government departments in a co-ordinated effort. Urban problems in Scotland, Wales and Northern Ireland are being tackled by Partnerships, the Programme for the Valleys and Belfast Action Teams respectively, as well as by many other government programmes. The Government spends some £4,000 million a year in the inner cities, spread across this range of programmes.

Task Forces

A total of 16 inner city Task Forces have been set up in England to bring together and focus the efforts of government departments, local government, the private sector and the local community to regenerate inner cities. Task Forces consist of small teams of civil servants and secondees from local authorities and the private and voluntary sector, based in the most deprived parts of their tightly-defined inner city areas (see map, pp 178–9). They aim to help local people by increasing their chances of gaining employment and by building up local businesses. They also support schemes which improve the environment or reduce crime where these are

linked directly to the creation of jobs. Since their inception they have committed some £100 million to about 4,000 projects. They are not permanent; an important part of their work is to build up local organisations to which they can hand over as they withdraw. The Government has announced that four new Task Forces will be set up in 1993, two of them linked to a City Challenge scheme (see below).

City Action Teams

Eight City Action Teams (CATs) co-ordinate government efforts in inner city areas and encourage partnerships between business, local and central government, the voluntary sector and local people. They bring together senior officials of three government departments—Employment, Environment, and Trade and Industry—to ensure that the main programmes for which each is responsible are working together effectively. CATs are a primary point of contact with local authorities on City Challenge.

Each CAT has a small budget to assist co-ordination of government action in the inner city. CAT grants are available to local authorities, businesses, local community groups and voluntary organisations working in or moving to an inner city area. Total CAT spending of £8.3 million in 1991–92 funded 380 projects, bringing in some £13.1 million of private and other public sector investment. It helped to create or safeguard 2,300 jobs, provide or enhance 2,700 training places and support 1,000 small or medium-sized businesses.

Urban Programme

The Urban Programme is a special allocation to selected local authorities in England in addition to their normal resources. It is concentrated on target areas (see map, pp 178–9) where the problems are greatest and the levels of deprivation most severe, so as to achieve a greater impact with available funds. The local authorities concerned receive 75 per cent grant from central government to cover spending on approved projects. The programme supports

some 9,000 projects at any one time and is directed at economic, environmental and social problems.

In 1991–92 the Urban Programme was estimated to have supported some 1,100 new firms, helped to create or preserve 34,000 jobs and supported 68,000 training places. It improved 8,000 buildings and about 2,400 hectares (5,900 acres) of unsightly land. It also supported environmental improvement schemes for 90,000 dwellings. The Government has allocated £269 million for spending on the Urban Programme in England alone in 1992–93.

City Challenge

The Government's City Challenge initiative was launched in May 1991. Under this programme, local authorities are invited to submit imaginative and innovative plans for regenerating key neighbourhoods by tackling the problems of physical decay, lack of opportunity and poor quality of life. The best of these proposals receive a commitment of government funding for up to five years. The local authority provides the leadership in developing and implementing the plan, but it draws on the talent and expertise of local communities, the private sector, academic institutions, statutory agencies and the voluntary sector.

Programmes involving 11 authorities commenced in April 1992. The Government has set aside £82.5 million a year over a five-year period to assist these areas. There will be additional spending by the local authorities themselves, the private sector and other bodies. The second round competition for projects commencing in 1993–94 was open to all 57 Urban Programme authorities in England, from which 20 authorities with the most imaginative and achievable proposals were selected to receive £37.5 million each over five years.

City Grant

City Grant is available to encourage private sector developments in inner cities in England. It is paid direct to the private sector for projects which contribute to the

regeneration of Urban Programme areas. By April 1992, 267 schemes had been approved, with £238 million of public money bringing in £1,040 million of private investment.

Under these schemes, some 36,000 jobs and 7,600 homes were being provided and 500 hectares (1,230 acres) were being reclaimed.

Urban Development Corporations

Twelve urban development corporations (UDCs) have been set up by the Government in order to reverse large-scale urban decline. London Docklands and Merseyside were established in 1981. By the end of March 1992 the London Docklands Development Corporation had received over £1,347 million in government grant and secured private investment commitments of over £9,000 million. It has reclaimed over 600 hectares (1,500 acres) of derelict land for housing, commercial and recreational use. Over 17,000 homes have been completed and, up to March 1991, 41,000 jobs had been attracted to the area. The Merseyside Development Corporation has reclaimed 312 hectares (700 acres) of derelict land, and 284,000 sq m (3.1 million sq ft) of commercial or industrial floorspace have been built or refurbished in its area.

Ten further UDCs have been set up: Birmingham Heartlands, Black Country (West Midlands), Bristol, Leeds, Central Manchester, Sheffield, Trafford Park (Greater Manchester), Teesside, and Tyne and Wear in England; and Cardiff Bay in Wales. UDCs cover about 16,000 hectares (about 40,000 acres), and public expenditure on the programme will be £481 million in 1992–93.

Enterprise and Simplified Planning Zones

Since 1981 the Government has set up 27 'enterprise zones' (see map, pp 178–9). Each zone runs for a period of ten years from designation; the earlier zones have therefore reached the end of their lives. Benefits in the zones include:

- exemption from the uniform business rate (the local property tax payable by non-domestic property owners);

- 100 per cent allowances for corporation and income tax purposes for capital expenditure on industrial and commercial buildings;
- a much simplified planning system; and
- a reduction in government requests for statistical information.

The Government does not propose to extend the scheme generally, although in exceptional circumstances a new zone might be created as the best way of tackling a particular local problem; for example, the Government has announced that it intends to create a new enterprise zone in Scotland in an area affected by the closure of a steel works.

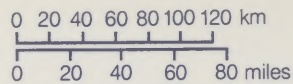
The declaration of 'simplified planning zones' by local planning authorities became possible from 1987; they are intended to stimulate regeneration by removing the uncertainty from the planning system. They use a simplified planning framework similar to that used in enterprise zones, under which advance planning permission is given for specified types of development within a zone. A simplified planning zone scheme lasts for ten years.

Land Reclamation and Use

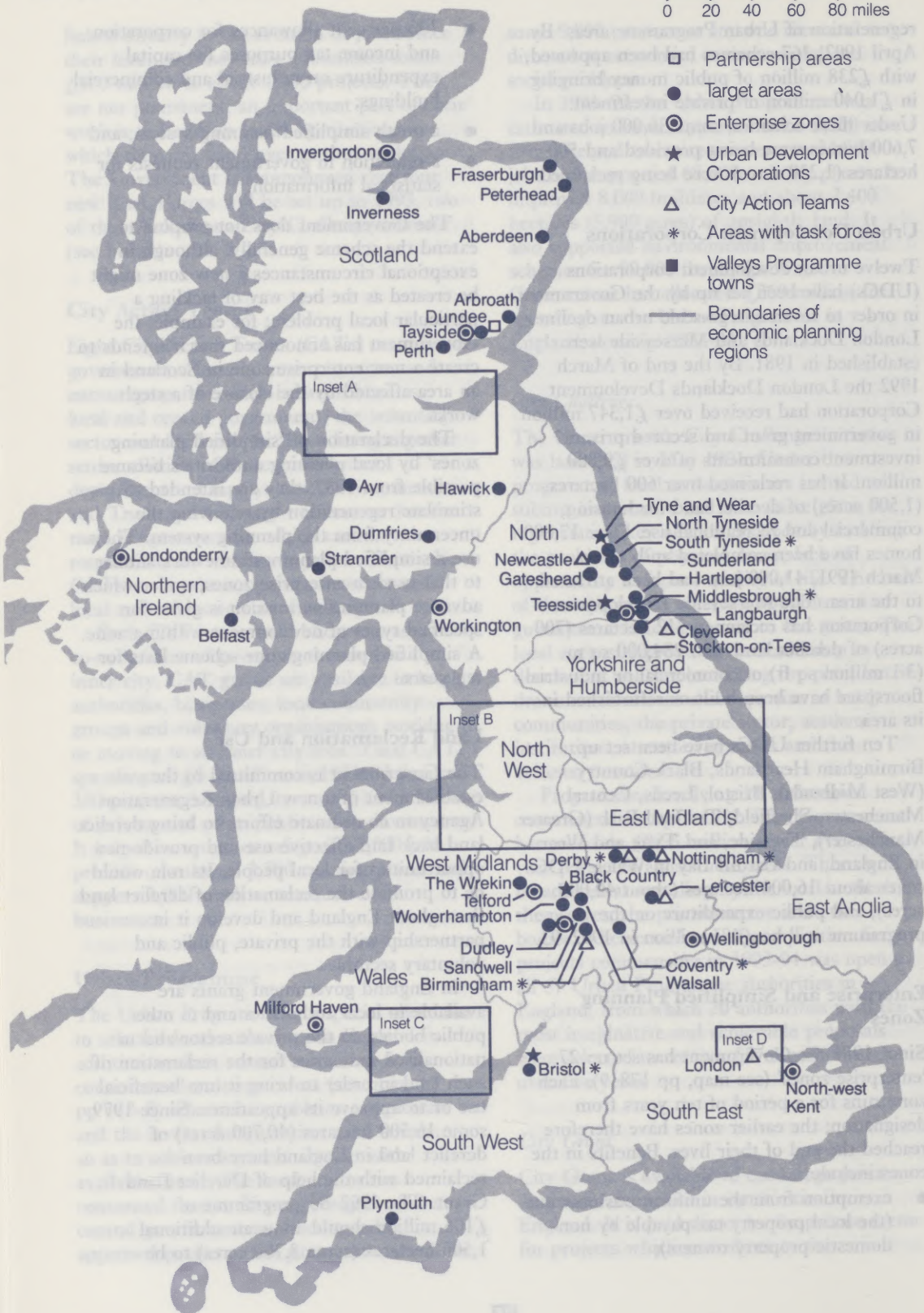
The Government is committed to the establishment of a new Urban Regeneration Agency to co-ordinate efforts to bring derelict land back into effective use and provide new opportunities for local people. Its role would be to promote the reclamation of derelict land throughout England and develop it in partnership with the private, public and voluntary sectors.

In England government grants are available to local authorities and to other public bodies, to the private sector and to nationalised industries for the reclamation of such land in order to bring it into beneficial use or to improve its appearance. Since 1979 some 16,500 hectares (40,700 acres) of derelict land in England have been reclaimed with the help of Derelict Land Grant. The 1992–93 programme of £106 million should allow an additional 1,500 hectares (some 3,700 acres) to be

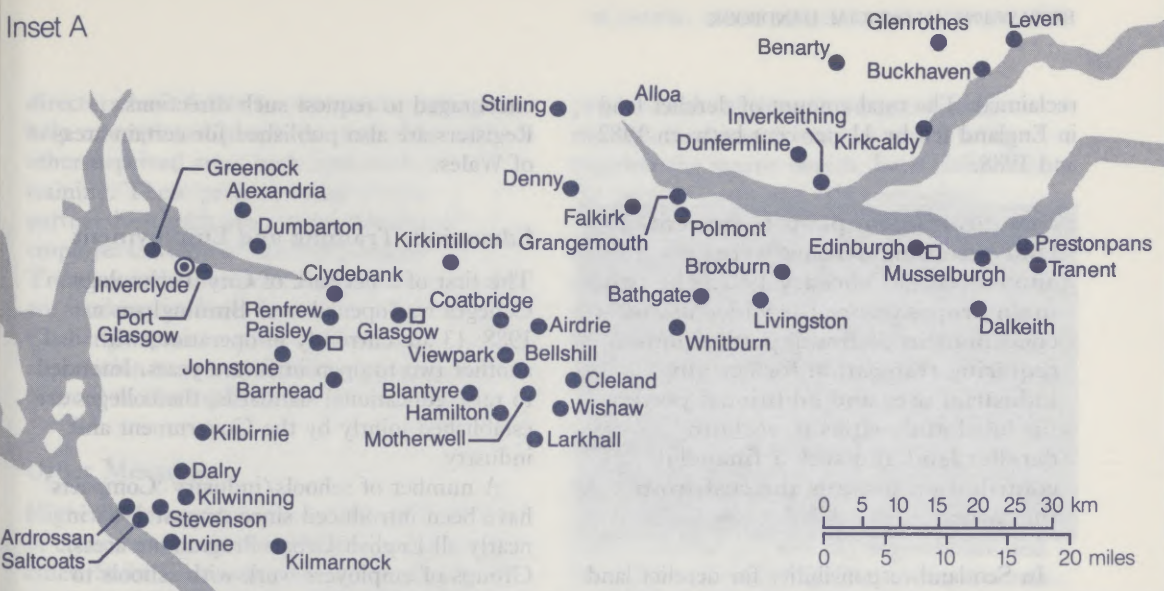
Urban Policy Initiatives



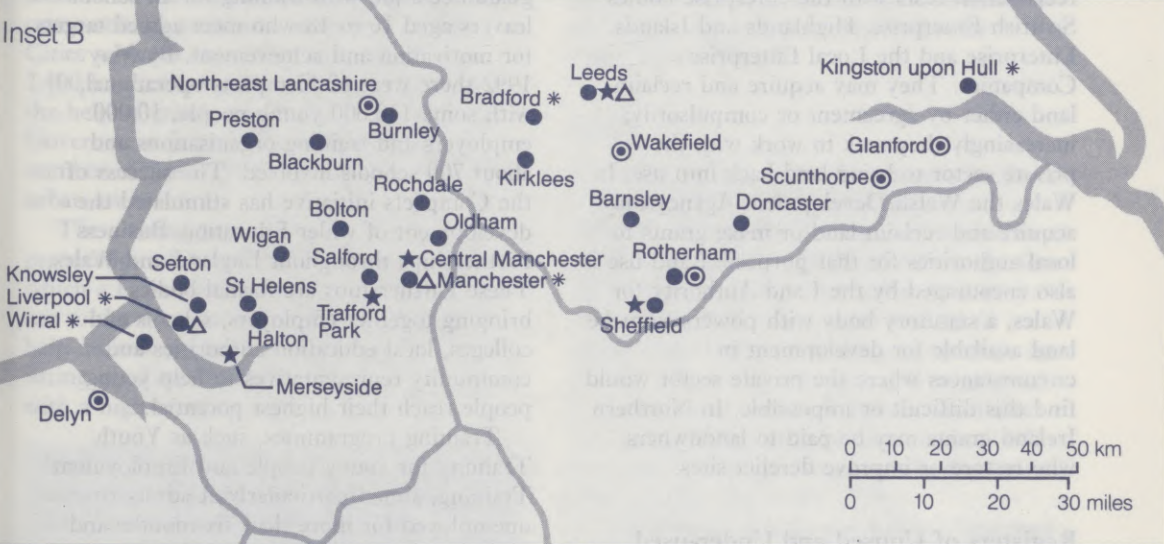
- Partnership areas
- Target areas
- ⊙ Enterprise zones
- ★ Urban Development Corporations
- △ City Action Teams
- * Areas with task forces
- Valleys Programme towns
- Boundaries of economic planning regions



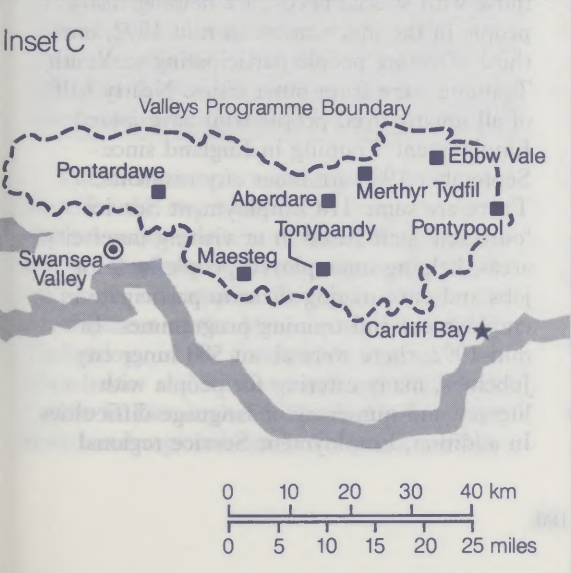
Inset A



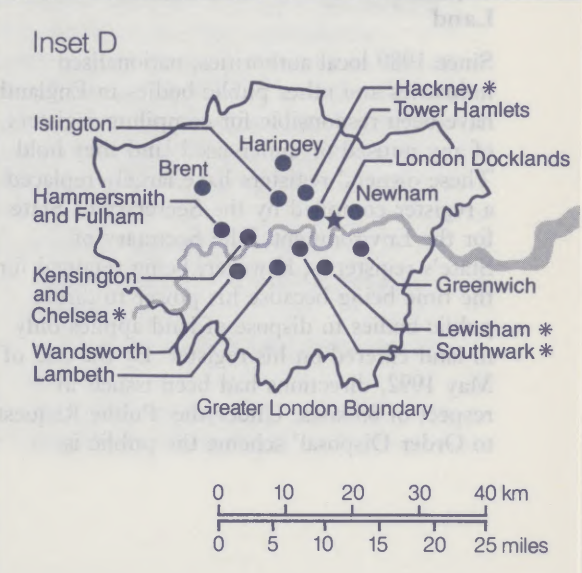
Inset B



Inset C



Inset D



reclaimed. The total amount of derelict land in England fell by 11 per cent between 1982 and 1988.

New government plans to prevent land becoming derelict were announced in February 1992. The two main proposals are the wider use of conditions in planning permissions requiring restoration for certain industrial uses and additional powers for local authorities to reclaim derelict land and seek a financial contribution towards the cost from the owner.

In Scotland responsibility for derelict land reclamation rests with the enterprise bodies Scottish Enterprise, Highlands and Islands Enterprise and the Local Enterprise Companies. They may acquire and reclaim land either by agreement or compulsorily; increasingly they seek to work with the private sector to bring land back into use. In Wales the Welsh Development Agency may acquire and reclaim land or make grants to local authorities for that purpose. Land use is also encouraged by the Land Authority for Wales, a statutory body with powers to make land available for development in circumstances where the private sector would find this difficult or impossible. In Northern Ireland grants may be paid to landowners who restore or improve derelict sites.

Registers of Unused and Under-used Land

Since 1989 local authorities, nationalised industries and other public bodies in England have been responsible for compiling registers of any unused or under-used land they hold. These owners' registers have largely replaced a register compiled by the Secretary of State for the Environment. The Secretary of State's register is, however, being retained for the time being because his power to direct public bodies to dispose of land applies only to land entered on his register. By the end of May 1992, directions had been issued in respect of 83 sites. Under the 'Public Request to Order Disposal' scheme the public is

encouraged to request such directions. Registers are also published for certain areas of Wales.

Education, Training and Employment

The first of a network of City Technology Colleges was opened near Birmingham in 1988; 13 are currently in operation, with another two to open in future years. Intended to raise educational standards, the colleges are established jointly by the Government and industry.

A number of schools/industry 'Compacts' have been introduced since August 1988 in nearly all English Urban Programme areas. Groups of employers work with schools to guarantee a job with training for all school-leavers aged 16 to 18 who meet agreed targets for motivation and achievement. By May 1992 there were 62 Compacts operational, with some 140,000 young people, 10,000 employers and training organisations and about 700 schools involved. The success of the Compacts initiative has stimulated the development of wider Education-Business Partnerships throughout England and Wales. These Partnerships are formal bodies bringing together employers, schools and colleges, local education authorities and community representatives to help young people reach their highest potential.

Training programmes, such as Youth Training for young people and Employment Training, aimed particularly at adults unemployed for more than six months and those with special needs, are helping many people in the inner cities. In mid-1992, one-third of young people participating in Youth Training were from inner cities. Nearly half of all unemployed people who have joined Employment Training in England since September 1988 are inner city residents. There are some 110 Employment Service 'outreach' staff based in or visiting inner city areas, helping unemployed people look for jobs and encouraging them to participate in employment and training programmes. In mid-1992, there were about 500 inner city Jobclubs, many catering for people with literacy and numeracy or language difficulties. In addition, Employment Service regional

directors have funds for innovative projects to help unemployed people in inner cities and other deprived areas back into work or training. These projects often involve partnerships with other organisations or employers. Many of the independent Training and Enterprise Councils (see p 168) are working in Task Force areas, City Challenge areas or other pockets of deprivation to create training opportunities tailored to the needs of people living there.

Other Measures

Higher than average crime rates, and the fear of crime, are particular problems in the inner cities. Safer Cities schemes bring together all sections of the local community to tackle crime-related problems. A total of 20 Safer Cities schemes are under way, supporting 2,400 local crime prevention initiatives with the help of grants worth £14.5 million. The Government is committed to doubling the number of Safer Cities schemes to cover 40 urban areas.

The starting point for a scheme is the preparation of a detailed local crime profile, which a Home Office project team can then use to draw up an action plan. Examples of help include improving street lighting and fitting good quality locks to houses on estates with a high burglary rate.

Under the new Urban Crime Fund scheme, an additional £11 million has been made available in 1992–93 through the Urban Programme to three police authorities—Merseyside, Northumbria and West Yorkshire—to help tackle crime and provide a better environment in the inner cities.

The Government encourages tourism as a force for the improvement of inner city areas. Several major projects which create a cultural and artistic focus for inner city regeneration have been undertaken. Examples include the development of the Museum of Science and Technology in the Castlefields area of Manchester and the International Convention Centre in Birmingham. The English Tourist Board and regional tourist boards encourage

promotional activities in inner city areas through local area initiatives which bring together the tourist boards, local authorities, the private sector and other agencies.

The Government's priorities for inner city housing are to secure a wide range of good quality housing available for rent or purchase, and to improve conditions and opportunities for residents, particularly on local authority estates (see p 187).

Research

Research is commissioned by the Government to inform the development of policies assisting inner city regeneration and the return of derelict land to productive use. Spending on the inner city and derelict land research programmes is expected to be £860,000 in 1992–93.

Wales

Spending on the Urban Programme in Wales is expected to be some £31 million in 1992–93. All local authorities are eligible to apply. Some of the spending will for the first time be targeted at wards rather than at whole districts, so that small pockets of deprivation in otherwise prosperous areas can benefit. About half the total will be targeted at the ten most deprived districts in Wales. The Government aims to remove much of the remaining major industrial dereliction in Wales by the end of the 1990s.

The Programme for the Valleys, launched in 1988, is the most extensive programme of economic and urban regeneration undertaken in Wales, and covers an area of some 2,200 sq km (860 sq miles) in the south Wales valleys (see map, p 179). It involves increased levels of factory building, land clearance and Urban Programme support, as well as action to:

- stimulate private enterprise;
- improve health care and educational services;
- support private housing improvements; and
- strengthen tourism, the arts and voluntary organisations.

Some £19 million of Urban Programme support will benefit the Valleys in 1992–93.

The Cardiff Bay Development Corporation was set up in 1987 to bring forward redevelopment in an area of south Cardiff, once its commercial centre. By the end of March 1992 the Corporation had received £127 million in government grant. Government support for the Corporation in 1992–93 will be £35 million. The Corporation's regeneration strategy includes proposals for the construction of a barrage across Cardiff harbour mouth, which would create a large freshwater lake and 12 km (7 miles) of waterside frontage. It is expected that about 30,000 new jobs will be created and that over £1,500 million of private investment will be attracted.

Scotland

In 1988 the Government set out in the White Paper *New Life for Urban Scotland* its strategy for improving the quality of life for people living on peripheral estates in Scotland. Building on the experience gained from inner city regeneration schemes such as the Glasgow Eastern Area Renewal, the main aim of the strategy was to encourage residents to take more responsibility for the improvement of their own communities.

The focus of this effort was the establishment of four Partnerships led by the Scottish Office and involving other bodies and groups, including the former Scottish Development Agency and the Training Agency (now both part of Scottish Enterprise—see p 11), Scottish Homes, the local authorities, the private sector and the local communities. These four Partnerships have been set up in areas of Dundee, Edinburgh, Glasgow and Paisley. Their objectives include plans to:

- improve the type and tenure mix of housing available to local people;
- improve employment prospects by providing increased avenues for training and further education; and
- tackle social and environmental problems on the estates.

Other peripheral estates continue to receive

substantial support through such sources as the Urban Programme and Scottish Enterprise, as do inner city areas in Scotland. The Government is committed to seeking ways to improve the Partnerships and to strengthening the Urban Programme in Scotland by emphasising those projects which form part of a concerted effort to assist a deprived area.

The Urban Programme in Scotland has grown from £44 million in 1988–89 to over £81 million in 1992–93. In addition to any new projects approved, these resources already support about 1,200 existing projects. The Safer Cities programme in Scotland comprises projects in Edinburgh, Glasgow and Dundee. Another is being established in Aberdeen. Central funding for the programme in 1992–93 extends to £900,000.

The Local Enterprise Companies (see p 168), contracted to Scottish Enterprise, have substantial budgets and a flexible range of powers and functions to improve the environment and encourage business and employment in their areas. In particular, Scottish Enterprise operates a Local Enterprise Grants for Urban Projects scheme, which aims to encourage private sector investment for projects in deprived areas. The areas of need in which the scheme operates include the four Partnership areas, as well as other areas showing similar characteristics of deprivation. The Local Enterprise Companies can support projects in their areas up to a limit of £250,000. Greater amounts can be spent with the approval of Scottish Enterprise or the Scottish Office.

The Compact scheme (see p 167) has been introduced in Scotland, with ten Compacts in operation and four under consideration. Some 9,000 young people and more than 1,000 employers and training organisations are involved with the operational Compacts. The Training and Enterprise Grants scheme is designed to increase access to employment opportunities for young and long-term unemployed people.

Northern Ireland

A comprehensive development programme aims to revitalise the commercial areas of

Belfast. In 1992–93 regeneration programmes had a combined allocation of over £32 million. Nine Action Teams have been established to tackle the problems of particularly deprived areas of the city. The 'Making Belfast Work' initiative, launched in 1988, is designed to reinforce the efforts to alleviate the economic, educational, social and environmental problems in the most disadvantaged areas of Belfast. In addition to extensive funding already allocated to mainstream departmental programmes, Making Belfast Work has provided a further £124 million for the period 1988–89 to 1993–94. The Laganside Corporation was established in 1989 to regenerate Belfast's riverside area. Its government grant in 1992–93 is £6.2 million.

Housing

The pattern of housing tenure has changed considerably in recent years, with a substantial increase in owner-occupation and a decline in private renting.

The promotion of home ownership and more choice in the rented sector are central to government housing policy. New house construction is undertaken by both public and private sectors, but the majority of dwellings are now built by the private sector for sale to owner-occupiers. Housing associations are becoming the main providers of new housing in the subsidised rented sector. Local authorities are being encouraged to see their housing role as more of an enabling one, working with housing associations and the private sector to increase the supply of low-cost housing for rent without necessarily providing it themselves. This allows them to concentrate their resources on improving the management of their own stock. In order to stimulate the private rented sector, which has declined to less than 8 per cent of the total stock, rents on new private sector lettings in Great Britain have been deregulated.

Administration

The Secretary of State for the Environment in England and the Secretaries of State for

Wales, Scotland and Northern Ireland are responsible for formulating housing policy and supervising the housing programme. Although the policies are broadly similar throughout Britain, provisions in Northern Ireland and Scotland differ somewhat from those in England and Wales.

The construction or structural alteration of housing is subject to building regulations laid down by the Government. In addition, most new houses are covered by warranty arrangements provided either by the National House-Building Council or the Housing Standards Company Ltd. Both organisations set standards and enforce them by inspection, and provide cover against major structural defects for not less than ten years.

Home Ownership

Over the last 40 years the proportion of people owning their own homes has risen from 29 per cent to 67 per cent, and the number of owner-occupied dwellings in Great Britain amounted to over 15.3 million at the end of 1991, compared with some 4.1 million in 1950. Most public sector tenants have the right to buy the homes they occupy. Local authorities have been asked to encourage low-cost home ownership in a variety of ways. Scottish Homes has a scheme to encourage private developers to build for owner-occupation or market rents in areas they would not normally consider. In 1992–93 the funding available will be about £26 million. In Northern Ireland shared ownership has been developed by the Northern Ireland Co-ownership Housing Association.

Mortgage Loans

Most people buy their homes with a mortgage loan, with the property as security. Building societies are the largest source of such loans, although banks and other financial institutions also take a significant share of the mortgage market, while some companies also make loans for house purchase available to their own employees.

The amount that lenders are prepared to advance to a would-be house purchaser is

generally calculated as a multiple of his or her annual income, typically up to two-and-a-half times earnings, and the term of the loan is commonly 25 years. The two main forms of mortgage are 'repayment' and 'endowment' mortgages. In the former, the borrower repays principal and interest on the sum outstanding. In the latter, he or she pays only interest to the lender but also puts money into an endowment policy, which on maturity provides a lump sum to repay the principal. Owner-occupiers get basic rate tax relief on interest payments on mortgages of up to £30,000 on their main home.

A package of measures to protect homeowners from unnecessary repossession owing to arrears was announced by the Government in December 1991. These include provision for benefits covering mortgage interest to be paid directly to lenders, and agreement with the mortgage lenders on the introduction of schemes to help borrowers in difficulty remain in their homes.

The Government is committed to extending the existing rights of leasehold enfranchisement in England and Wales. It plans to give residential leaseholders in blocks of flats the collective right to acquire the freehold of their block at market prices. Leaseholders who live in blocks that do not qualify would have new rights to buy an extended lease. Leasehold is not a common form of residential tenure in Scotland.

Public Sector Housing

Most of the public housing in Great Britain is provided by 460 local housing authorities. These are:

- the district councils in England and Wales, apart from in London;
- the London borough councils and the Common Council of the City of London; and
- in Scotland, the district and islands councils.

Public housing is also provided by the new

town authorities, Scottish Homes (which has a stock of some 66,000 houses) and the Development Board for Rural Wales, although the latter aims to transfer all its 1,200 houses to other social landlords by March 1993. The Northern Ireland Housing Executive is responsible for the provision and management of public housing in Northern Ireland. Public housing authorities in Great Britain own some 5.1 million houses and flats; the Northern Ireland Housing Executive owns over 162,000 homes. A number of local authorities have transferred all their housing stock to housing associations, and others are considering doing so. The Government is committed to the introduction of compulsory competitive tendering into local authority housing management, obliging councils to ensure that their housing is run by managers who demonstrate the ability to deliver the best services to tenants.

Local authorities meet the capital costs of new house construction and of modernisation of their existing stock by:

- raising loans on the open market;
- borrowing from the Public Works Loan Board (an independent statutory body set up to make loans to local authorities);
- using part of the proceeds from the sale of local authority houses and other assets; or
- drawing on their revenue accounts.

Councils must maintain housing revenue accounts on a 'ring-fenced' basis to keep them separate from other council funds. The Government provides local authorities in England and Wales with Housing Revenue Account Subsidy, worth more than £3,700 million in 1992-93. In Scotland, housing support grant of £47 million is available for 1992-93.

Privately Rented Housing

There has been a steady decline in the number of rented dwellings available from private landlords, from over 50 per cent of the housing stock in 1950 to 7 per cent in Great Britain in 1990.

The Government's policy is to increase the availability of privately rented

accommodation by removing disincentives to letting. To accomplish this, from January 1989, new private sector lettings were deregulated, and two new forms of tenancy were introduced:

- the assured tenancy, which gives the tenant long-term security in return for a freely negotiated market rent; and
- the assured shorthold tenancy (short assured tenancy in Scotland), which is for a fixed term, again at a free market rent.

Existing lettings are unaffected; they continue on the old basis. At the same time, the law concerning harassment of tenants was strengthened. Tenants and most other residential occupiers may not be evicted without a court order. The Government has introduced a 'Rent a Room' scheme to encourage homeowners to rent a room to lodgers without having to pay tax on the rent they receive; provisions in the Finance Act 1992 allow rents of up to about £62 a week to be tax-free.

In Northern Ireland only certain pre-1956 properties subject to rent restriction come under statutory control. Rent levels are linked to those of the Northern Ireland Housing Executive, and both landlords and tenants may apply to a rent assessment committee for rent determination in cases where the current rent is considered to be inappropriate. Rent increases are permitted only for properties which meet a prescribed standard. The only assured tenancies in Northern Ireland are those on properties made available under a business expansion scheme; shorthold tenancies are available.

Housing Associations

Housing associations, which are non-profit-making, are now the main providers of additional low-cost housing for rent and for sale to those on low incomes and in the greatest housing need. The housing association sector is expanding rapidly; associations own, manage and maintain over 600,000 homes and some 55,000 hostel bed-spaces in England alone, providing homes for well over 1 million people; over 27,000 new homes for rent or shared ownership were

completed in 1991-92. Many associations specialise in providing accommodation to meet the special needs of the elderly, the disabled and the mentally disordered.

People in housing need with insufficient income to obtain a mortgage for outright purchase may be able to participate in a scheme in which a housing association develops or acquires the home and sells a share in it to them, allowing them to rent the remainder and to purchase it later if they wish. Housing associations can also purchase older properties to improve for sale.

In Great Britain housing schemes carried out by associations qualify for Housing Association Grant if the association concerned is one of about 2,800 registered with the Housing Corporation (in England), Scottish Homes or Housing for Wales. These three organisations are statutory bodies which supervise and pay grant to housing associations in their respective parts of Great Britain. Broadly similar assistance is available to associations in Northern Ireland. Scottish Homes has a wide range of general functions and powers, including giving financial assistance to housing associations.

The Government plans to increase the resources distributed to housing associations through the Housing Corporation's capital programme from £1,062 million in 1990-91 to £2,052 million in 1994-95. The Government also aims to increase the amount of private finance being used by housing associations, allowing more homes to be built with the available public resources than would otherwise be the case. In 1992-93 Scottish Homes' total programme expenditure is expected to be about £323 million, of which well over half will go to housing associations. Housing for Wales is managing a programme of £174 million in 1992-93, with a target of providing 3,500 new homes in Wales. On current plans, government provision to the housing association movement in Wales will be over £500 million between 1991-92 and 1994-95. Northern Ireland's registered housing associations started 1,100 units of accommodation in 1991-92, and now have a stock of 12,000 units for rent. They have a 1992-93 budget of £43 million, with a target

to start 1,000 new units of rented accommodation. Government plans provide for total funding of some £178 million over the period 1991-92 to 1994-95.

In England and Wales the rights of housing association tenants are protected under the Tenants' Guarantee, which is issued by the Housing Corporation. It covers matters such as tenancy terms, principles for determining rent levels and the allocation of tenancies. Under this guarantee, tenants receive contractual rights in addition to their basic statutory rights, and associations are required to set and maintain rents at levels affordable by those in low-paid employment. In Scotland, similar non-statutory guidance, in the form of a model tenancy agreement, has been implemented as proposed jointly by Scottish Homes and the Scottish Federation of Housing Associations.

Sheltered Housing

Sheltered housing, which comprises accommodation with an alarm system and the services of a resident warden, may be provided for elderly people who need support. Increasing emphasis is being placed on schemes to help elderly people to continue to live in their own homes, such as home improvement services and adaptations to existing housing to meet the needs of disabled people.

Rural Housing

Changes in mobility have put pressure on rural housing in many areas. Where there is a need for low-cost housing in rural areas, therefore, the Government has announced that sites which would not normally be released for housing development can exceptionally be released, provided arrangements are made to reserve the housing for local needs. Similar arrangements were introduced in Wales in 1991. Housing for Wales has a major role to play, alongside local authorities, in rural housing provision in Wales. In Scotland, considerable progress is being made through the range of initiatives launched in 1990 as part of the Scottish Homes Rural Strategy.

Homelessness

Under the homelessness legislation, local authorities have a duty to secure permanent accommodation for households which they accept as unintentionally homeless and in priority need. The latter category includes pregnant women, people with dependent children, and those who are vulnerable because of old age, mental or physical handicap or other special reasons.

By April 1992, the Government's programme of measures to tackle the problem of people sleeping rough in London had provided about 600 places in hostels and about 1,200 in move-on accommodation, with an additional 250 hostel places by mid-1992 and a further 1,300 permanent places by the end of 1993. A further £20 million is being made available in the period to 1994-95 specifically to help mentally-ill people sleeping rough.

Tenants' Rights

Legislation gives public sector tenants in England and Wales statutory rights, including security of tenure. Under the Tenants' Choice provisions, public sector tenants have the right to change their landlord where they are not satisfied with the service provided by their local authority. With a few exceptions, secure tenants with at least two years' public sector standing are entitled to buy their house or flat at a discount which depends on the length of occupation (the 'right to buy'). Similar provisions are made for Scotland and Northern Ireland. Some 1.8 million council, housing association and new town homes were sold in Great Britain between April 1979 and the end of 1991. In April 1991 Scottish Homes' Rents to Mortgages scheme, under which tenants can become homeowners for an initial payment which can be financed by a mortgage with payments similar to their rent, was extended to local authority tenants. Similar experimental schemes are at present available to new town tenants of Basildon and Milton Keynes, and in Wales to tenants of the Development Board for Rural Wales. The Welsh scheme, called flexi-ownership, was introduced in 1989. The Government is now

committed to the introduction of a nationwide rents-to-mortgages scheme under which council tenants could buy a part-share in their home and increase their share by further voluntary payments, although they need not pay off the remainder until resale.

The Government funds a national mobility agency, HOMES, to promote and assist tenants' moves within and between the local authority and housing association sectors.

The Government launched a new Tenant's Charter in England in January 1992 as part of its Citizen's Charter initiative. This included proposals for an improved right to repair and a simplified form of court procedure to deal with certain housing cases. The Government is also committed to the introduction of a right to improve, under which council tenants would receive compensation for certain home improvements which they undertake. A new Tenant's Charter for Scotland was launched in December 1991.

Government support is focused on tenants rather than on property through the housing benefit system. Depending on their personal circumstances, occupiers may qualify for housing benefit to help them pay their rent (see p 146).

Improving Older Houses

In urban areas of Britain slum clearance and redevelopment used to be major features of housing policy, but there has been a trend in recent years towards the retention of existing communities, accompanied by the modernisation and conversion of sub-standard homes. Housing conditions have improved considerably, but problems remain in some areas where there are concentrations of dwellings lacking basic amenities or requiring substantial repairs; and there are still some pockets of unfit housing for which demolition is the best solution. The emphasis now is on area renewal, with an integrated approach to renewal and renovation.

In Scotland, Scottish Homes has been given a major role in tackling housing-related urban dereliction and providing rural housing opportunities, in co-operation with local communities, the private sector, local authorities and other statutory agencies. Some

groups of tenants are joining together to form community-based housing associations and tenant ownership co-operatives.

Estate Action Programme

The Estate Action programme provides local authorities in England with additional resources to regenerate their run-down housing estates. Funds are provided to enable authorities to carry out an agreed package of measures on an estate, including physical refurbishment and improved management. Since the Estate Action programme began in 1986, more than £1,000 million has been allocated to or earmarked for about 1,000 schemes.

In 1992-93 funds have been increased to £364 million to enable the programme to tackle the larger, more run-down estates. The Government is looking in particular for schemes in which local authorities can show:

- a strategic approach to promoting comprehensive regeneration;
- an effective partnership with tenants and the private sector; and
- that the investment in housing would complement and support training, enterprise and other urban policies.

The Government is committed to introducing a pilot homesteading scheme under which local authorities would be encouraged to offer those in housing need the chance to restore suitable council properties in exchange for a reduced rent or the opportunity to buy at a reduced price.

In Wales, local authorities are able to bid for Estate Partnership funding to tackle the problems of selected estates; some £6 million has been set aside for 1992-93. This programme parallels Estate Action in England but is designed to address the different problems typical of Welsh council estates.

Housing Action Trusts

Housing Action Trusts (HATs) can be established in England to focus resources on some of the most run-down areas of predominantly local authority housing. The Government can designate a HAT for a

particular area or estate, subject to a tenants' vote. If the majority of tenants who vote support the proposal, the HAT would be established by parliamentary order. It would take over responsibility for the housing in its designated area to renovate it, improve the environment, provide community facilities and stimulate local enterprise. On completion of its work, the Trust would be wound up and its property transferred to other owners and managers, such as housing associations or tenants' co-operatives, or back to the local authority. Tenants would be consulted on their future landlords. Tenants as well as local authorities may apply for the establishment of a HAT.

Two HATs have been established, in Hull (Humberside) and in Waltham Forest (north-east London). Tenants in Liverpool (Merseyside) have voted to support a third HAT.

Home Improvement Grants

Nearly 1.2 million home improvement grants, worth almost £3,750 million, were paid in respect of privately owned dwellings in England alone between 1983 and 1991. A new house renovation grant system was introduced in England and Wales in 1990. Under this system, local authorities give mandatory renovation grants to enable unfit dwellings to be brought up to a revised fitness standard, with discretionary grants available for a wider range of works. Grants of up to 100 per cent may be available, subject to a test of the applicant's resources.

Grants are also available in certain circumstances for the provision of facilities for the disabled and for the repair of houses in multiple occupation and of the common parts of blocks of flats. Minor works assistance is also available to help people in receipt of income-related benefits, particularly the elderly, with small-scale works.

In Scotland, local authorities give grants

for improvement and repair. Scottish Homes also has the power to provide grants to complement the role of local authorities in private house renewal.

In Northern Ireland, grants are provided on a similar basis to that in England and Wales through the House Renovation Grants scheme, administered by the Northern Ireland Housing Executive. In isolated rural areas, a grant to replace dwellings which cannot be restored is also available through this scheme.

Housing Renewal Areas

Housing renewal areas in England and Wales are intended to provide a sharper focus to area action, covering both renovation and selective redevelopment and taking account of a range of issues wider than just housing. Authorities are free to declare renewal areas without the specific consent of the Secretaries of State for the Environment and for Wales, provided they fulfil certain criteria. Authorities have additional powers to acquire land in renewal areas and to carry out improvement works for which additional government support is available.

In Scotland housing action area powers are available for the improvement of areas in which at least half the houses fail to meet a statutory tolerable standard. Since 1975, 1,844 housing action areas have been declared. Outside such areas in Scotland local authorities have powers to apply improvement orders to houses below the statutory tolerable standard or lacking certain basic amenities. Local authorities may also give grants towards improving the environment of mainly residential areas.

Northern Ireland has a large number of houses which are either unfit or in serious disrepair. Since 1977, 53 housing action areas have been declared, involving a continuous programme of rehabilitation and associated environmental improvement schemes.

9 Environmental Protection

For more than a century Britain has been developing policies to protect the environment against pollution from industry and other sources. Laws were introduced at an early stage to control air and water pollution, and to conserve wildlife, the landscape, historic monuments and buildings. They have been revised regularly to meet changing circumstances. Recently, with increasing scientific understanding of global pollution problems, the Government has been considering how its own policies and actions can be further guided by the principle of 'sustainable development', about which a major United Nations conference was held in June 1992.

Britain supports international co-operation on matters of environmental protection. Increasingly, much of Britain's legislation on pollution control is being developed in collaboration with other member states of the European Community and organisations such as the Organisation for Economic Co-operation and Development and the United Nations and its agencies. Britain is taking a leading position in the development of a European eco-labelling scheme. The most recent major piece of environmental legislation is the Environmental Protection Act 1990, which introduced more comprehensive standards of pollution control and new arrangements to promote conservation.

The Department of the Environment is responsible for countryside policy and environmental protection in England; the Department of National Heritage has responsibility for the listing of buildings and for scheduled ancient monuments. The Welsh Office, the Scottish Office Environment Department and the Department of the Environment for Northern Ireland have broadly equivalent

responsibilities. In addition, the local authorities and a wide range of voluntary organisations are actively involved in environmental conservation and protection. An Advisory Committee on Business and the Environment is charged with assisting the Government on environmental issues relevant to business.

Britain participated fully in the United Nations Conference on Environment and Development (UNCED), popularly known as the 'Earth Summit', held in Rio de Janeiro in June 1992. Among the agreements reached was a framework convention on climate change (see p 202), a convention on biodiversity, 'Agenda 21' (an action framework for the twenty-first century), a declaration setting out clear principles for sustainable development, and a declaration for the management of forests. Britain also launched a Darwin Initiative for the Survival of Species; an initiative to ensure that developing countries could share the benefits of technology through partnership with British companies; and a global forum of non-governmental organisations, to be convened in June 1993, to examine and clarify their role in the practical implementation of Agenda 21.

This Common Inheritance

The environment White Paper *This Common Inheritance*, published in September 1990, was the first comprehensive statement by the Government of its policy on issues affecting the environment. It summarised more than 350 proposals for tackling such diverse issues as global warming, pollution control, the

regulation of land use and planning, the rural economy, the countryside and wildlife. There were also pledges of action on heritage, air quality and pollution, noise, water, hazardous substances, waste and recycling, and separate sections on specific initiatives in Scotland, Wales and Northern Ireland. In September 1991 a first anniversary progress report was published, which reviewed progress and set out commitments to more than 400 further actions to protect the environment, and a further update was published in October 1992.

The Government has established an Environmental Grant Fund to help voluntary groups in England take forward initiatives in the White Paper. It focuses on encouraging more groups to participate in environmental work and on improving the ability of local environmental groups to take effective action. Its funding for 1992–93 was increased to £1 million. It is due to be replaced in 1993–94 by an Environmental Action Fund, worth almost £4 million, which will also replace two other schemes.

Conservation

Historic Buildings, Ancient Monuments and Conservation Areas

Lists of buildings of special architectural or historical interest are compiled by the Government. Some 440,000 buildings are listed in England, some 38,000 in Scotland, 14,000 in Wales and 8,000 in Northern Ireland. It is against the law to demolish, extend or alter the character of any 'listed' building without special consent from the local planning authority or the appropriate Secretary of State. The local planning authority can issue temporary 'building preservation notices' to protect buildings not yet listed that are in danger while consideration is given to full listing. In Northern Ireland, the Department of the Environment for Northern Ireland is directly responsible for the listing of buildings.

Ancient monuments are similarly protected through a system of scheduling. There are approximately 13,000 scheduled

ancient monuments in England, over 5,500 in Scotland, 2,600 in Wales and 1,000 in Northern Ireland. English Heritage (the full name of which is the Historic Buildings and Monuments Commission for England) has embarked upon a programme to evaluate all known archaeological remains in England. This is expected to result in a significant increase in the number of scheduled monuments.

An English Heritage survey published in January 1992 showed that most of England's listed buildings were in reasonable condition and that the vast majority were not at risk.

Many of the royal palaces and parks are open to the public; their maintenance is the responsibility of the Secretaries of State for National Heritage and for Scotland. English Heritage is charged with protecting and conserving England's architectural and archaeological heritage. It manages some 400 ancient monuments on behalf of the Secretary of State for National Heritage, advises him on all applications for consent to alter scheduled monuments, and gives grants for the repair of ancient monuments, historic buildings and buildings in conservation areas in England. Most of its monuments are open to the public. Government support to English Heritage is almost £102 million in 1992–93. Planning guidance on archaeological matters was issued by the Government in November 1990.

In Scotland and Wales similar functions are performed by Historic Scotland, which cares for 330 monuments, and by Cadw: Welsh Historic Monuments, which manages 127, with advice from an Ancient Monuments Board and a Historic Buildings Council for each country. Historic Scotland and Cadw are executive agencies within the Scottish Office and Welsh Office respectively. The Department of the Environment for Northern Ireland has 173 historic monuments in its care, and is advised by a Historic Buildings Council and a Historic Monuments Council.

The National Heritage Memorial Fund helps towards the cost of acquiring, maintaining or preserving land, buildings, works of art and other items of outstanding interest

which are also of importance to the national heritage. In 1991–92 the Fund assisted in the preservation of 88 heritage items.

Local planning authorities have designated almost 8,000 'conservation areas' of special architectural or historic interest in England; there are over 350 in Wales, over 550 in Scotland and 29 in Northern Ireland. These areas receive special protection through the planning system. Grants and loans are available from the appropriate historic buildings and monuments body for works which make a significant contribution towards the preservation or improvement of a conservation area.

The Voluntary Sector

The Government supports the work of the voluntary sector in the protection of Britain's heritage. In England, the Department of National Heritage has offered to make grants totalling £450,000 to 23 such organisations in 1992–93.

Among the voluntary organisations which campaign for the preservation and appreciation of buildings are:

- the Society for the Protection of Ancient Buildings;
- the Ancient Monuments Society;
- the Georgian Group;
- the Architectural Heritage Society of Scotland;
- the Ulster Architectural Heritage Society;
- the Victorian Society; and
- the Council for British Archaeology.

The National Trust (for Places of Historic Interest or Natural Beauty), a charity with over 2 million members, owns and protects 319 properties open to the public, in addition to over 230,000 hectares (568,000 acres) of land in England, Wales and Northern Ireland. Scotland has its own National Trust. The Civic Trust makes awards for development and restoration work which enhances its surroundings. It undertakes urban regeneration projects and acts as an 'umbrella' organisation for nearly 1,000 local amenity societies. There are associate trusts in Scotland, Wales and north-east England.

Tree Preservation and Planting

Tree preservation orders enable local authorities to protect trees and woodlands in the interests of amenity. Once a tree is protected, it is in general an offence to fell, damage or destroy it, and the courts can impose substantial fines for breaches. Where protected trees are felled in contravention of an order or are removed because they are dying, dead or dangerous, a replacement tree must be planted. Local authorities have powers to enforce this requirement. The Government is currently undertaking a review of tree preservation policies and legislation.

Tree planting is encouraged through grants. Major initiatives include a project to create a new national forest in the Midlands and 12 community forests near large towns and cities. These are aimed at enhancing the environment and providing new opportunities for leisure and recreation.

Hedgerows

In July 1992 the Government launched a hedgerow incentive scheme. This will provide grants for managing hedgerows in environmentally sensitive ways. It also proposes to introduce a hedgerow notification scheme, which would require prior notification of the proposed removal of hedgerows to local authorities, and would empower them to protect such hedgerows by registering them. This would require legislation, which will be introduced when parliamentary time permits.

Green Belts

'Green Belts' are areas intended to be left open and free from inappropriate development. Their purposes are to:

- restrict the sprawl of large built-up areas;
- safeguard the surrounding countryside;
- prevent neighbouring towns merging;
- preserve the special character of historic towns; and
- assist in urban regeneration.

They also have a recreational role. Green

Belts have been established around major cities including London, Edinburgh, Glasgow, Merseyside, Greater Manchester and the West Midlands, as well as several smaller towns. Some 1.5 million hectares (3.8 million acres) are designated as Green Belt in England and 200,000 hectares (500,000 acres) in Scotland. The Government attaches great importance to the protection of Green Belts and expects local planning authorities to do likewise when considering planning applications.

The Coast

Local planning authorities along the coastline are responsible for planning land use at the coast; they also attempt to safeguard and enhance the coast's natural attractions and preserve areas of scientific interest. The protection of the coastline against erosion is administered centrally by the Ministry of Agriculture, Fisheries and Food, the Welsh Office and the Scottish Office. Certain stretches of undeveloped coast of particular scenic beauty in England and Wales are treated as heritage coast; jointly with local authorities, the government countryside bodies (see below) have defined 44 coasts, protecting 1,508 km (937 miles). The Government also intends to extend the marine consultation area scheme to cover 16 areas in England and Wales; statutory bodies taking decisions that affect these areas will be asked to consult the appropriate nature conservation body. There are already 29 such areas in Scotland.

A £4 million boost for basic research into coastal erosion was announced in January 1992 by the Science and Engineering Research Council. This work will underpin the more applied research carried out by the National Rivers Authority (see p 199) and the Ministry of Agriculture, Fisheries and Food.

The National Trust, through its Enterprise Neptune campaign, raises funds to acquire stretches of coastline of great natural beauty and recreational value. More than

£17 million has been raised so far and the Trust now protects 853 km (530 miles) of coastline in England, Wales and Northern Ireland. The National Trust for Scotland also owns large parts of the Scottish coastline and protects others through conservation agreements.

Countryside and Nature Conservation Bodies

Until April 1991, the main government body responsible for nature conservation was the Nature Conservancy Council (NCC). The Countryside Commission and the Countryside Commission for Scotland (CCS) were responsible for countryside policy, the former in England and Wales and the latter in Scotland. New arrangements came into force in 1991:

- the NCC was replaced by separate bodies for England (English Nature), Scotland (the Nature Conservancy Council for Scotland—NCCS) and Wales (the Countryside Council for Wales—CCW);
- the CCW also took over the Countryside Commission's responsibilities in Wales, leaving the Commission responsible for countryside policy in England only; and
- a statutory Joint Nature Conservation Committee (JNCC—see p 194) was also set up.

A further change took effect in April 1992. The two Scottish bodies—the CCS and the NCCS—merged to form a single body, Scottish Natural Heritage (SNH).

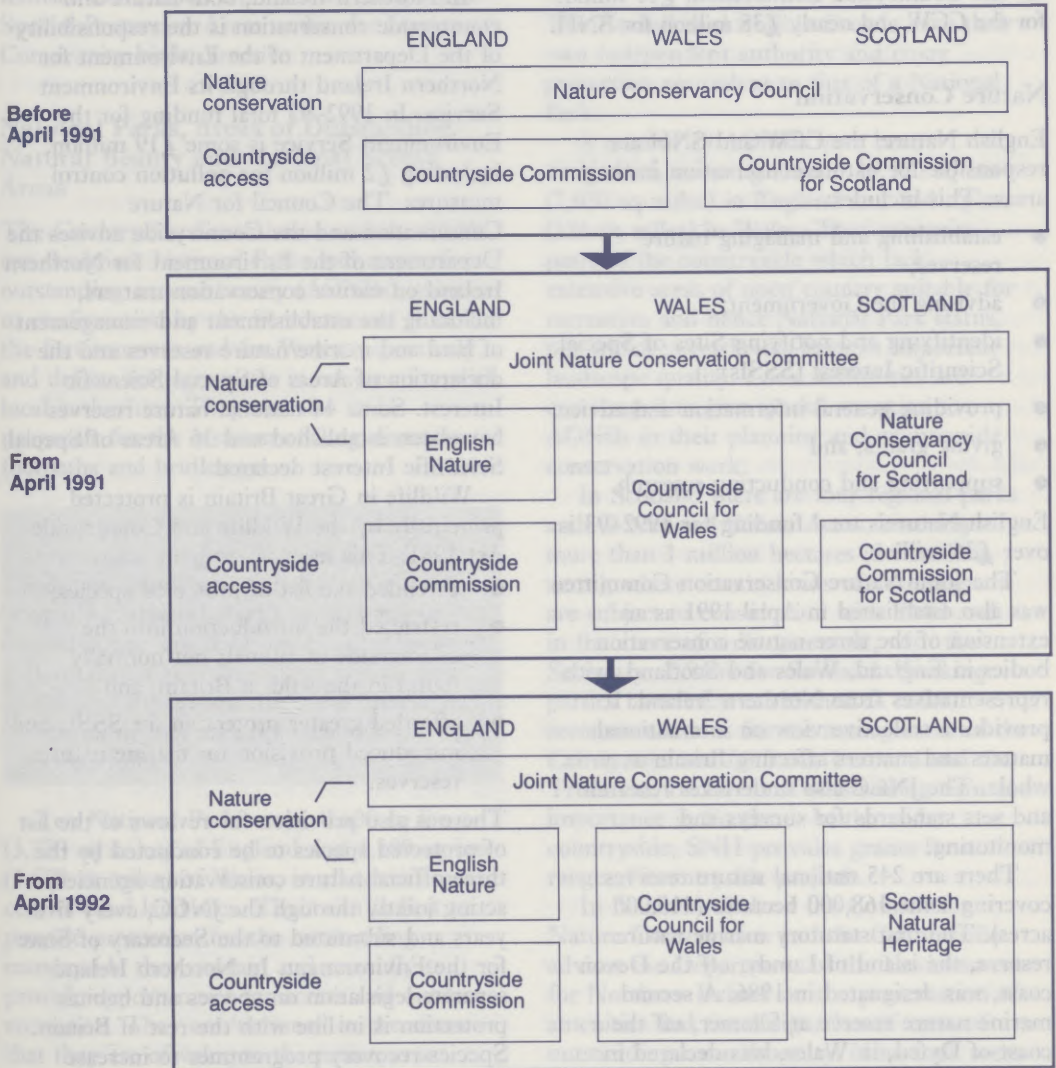
Countryside Bodies

Three government bodies are therefore now responsible for conserving and enhancing the natural beauty and amenity of the countryside and encouraging the provision of facilities for open-air recreation:

- the Countryside Commission, acting in England;
- the Countryside Council for Wales; and
- Scottish Natural Heritage.

Activities aided by these bodies include the provision by local authorities (sometimes in

Restructuring of Nature Conservation and Countryside Access



association with other bodies) and private individuals of country parks and picnic sites, often within easy reach of towns; the provision or improvement of recreational paths and the encouragement of amenity tree-planting schemes. The Countryside Commission recognises over 210 country parks and over 230 picnic sites in England. A further 24 country parks and about 40 picnic sites in Wales are recognised by the CCW. In

Scotland there are 36 country parks, and many local authority and private sector schemes for a variety of countryside facilities have been approved for grant aid by SNH. The countryside bodies undertake research projects and experimental schemes, often working in consultation with local authorities and groups such as the nature conservation bodies (see p 194) and the Sports Councils. They give financial assistance to public,

private and voluntary organisations, and individuals carrying out countryside conservation, recreation and amenity projects. Total funding in 1992–93 is over £38 million for the Countryside Commission, £17 million for the CCW and nearly £35 million for SNH.

Nature Conservation

English Nature, the CCW and SNH are responsible for nature conservation in their areas. This includes:

- establishing and managing nature reserves;
- advising the Government;
- identifying and notifying Sites of Special Scientific Interest (SSSIs);
- providing general information and advice;
- giving grants; and
- supporting and conducting research.

English Nature's total funding for 1992–93 is over £36 million.

The Joint Nature Conservation Committee was also established in April 1991 as an extension of the three nature conservation bodies in England, Wales and Scotland, with representatives from Northern Ireland. It provides a collective view on international matters and matters affecting Britain as a whole. The JNCC also undertakes research and sets standards for surveys and monitoring.

There are 245 national nature reserves covering some 168,000 hectares (415,000 acres). The first statutory marine nature reserve, the island of Lundy, off the Devon coast, was designated in 1986. A second marine nature reserve at Skomer, off the coast of Dyfed, in Wales, was declared in 1990, and more are proposed. Some 5,650 SSSIs have been notified in Great Britain for their plant, animal or geological or physiographical features. Local authorities have declared about 280 local nature reserves in England alone.

County nature conservation trusts and the Royal Society for the Protection of Birds play an important part in protecting wildlife, having established between them some 1,800 reserves. The county trusts are affiliated to a

parent organisation, the Royal Society for Nature Conservation. The Royal Society for the Protection of Birds is the largest voluntary wildlife conservation body in Europe.

In Northern Ireland, both nature and countryside conservation is the responsibility of the Department of the Environment for Northern Ireland through its Environment Service. In 1992–93 total funding for the Environment Service is some £19 million, including £2 million for pollution control measures. The Council for Nature Conservation and the Countryside advises the Department of the Environment for Northern Ireland on nature conservation matters, including the establishment and management of land and marine nature reserves and the declaration of Areas of Special Scientific Interest. Some 44 national nature reserves have been established and 36 Areas of Special Scientific Interest declared.

Wildlife in Great Britain is protected principally by the Wildlife and Countryside Act 1981. This has:

- extended the list of protected species;
- restricted the introduction into the countryside of animals not normally found in the wild in Britain; and
- afforded greater protection for SSSIs and introduced provision for marine nature reserves.

There is also provision for reviews of the list of protected species to be conducted by the three official nature conservation agencies, acting jointly through the JNCC, every five years and submitted to the Secretary of State for the Environment. In Northern Ireland separate legislation on species and habitat protection is in line with the rest of Britain. Species recovery programmes to increase populations of threatened species of plants and animals are being developed by English Nature and its equivalents.

Britain plays a full part in international action to conserve wildlife. Conservation measures promoted by the Government have included a ban (in conjunction with other European Community countries) on the import of whale products and harp and hooded seal pup skins, and stricter controls for the protection of wild birds. Britain

continues to support the Convention on International Trade in Endangered Species of Wild Fauna and Flora. Some 54 wetland sites have been designated for protection under the Ramsar Convention and 55 sites declared as Special Protection Areas under the European Community birds directive.

National Parks, Areas of Outstanding Natural Beauty and National Scenic Areas

The Countryside Commission and the CCW can designate National Parks and areas of outstanding natural beauty (AONBs), subject to confirmation by the Secretaries of State for the Environment and for Wales respectively, and define heritage coasts in conjunction with local authorities. They can also make proposals for the creation of long-distance footpaths and bridleways.

In January 1992 the Government announced proposals to establish independent National Park authorities for all National Parks and to ensure local representation on them. It was also confirmed that steps would be taken to designate the New Forest in Hampshire as an area of national significance.

Ten National Parks cover 9,600 sq km (3,720 sq miles) of England and 4,100 sq km (1,570 sq miles) of Wales, in all some 9 per cent of total land area. Their aim is first to provide protection for the outstanding countryside they contain and secondly to provide opportunities for access and outdoor recreation. They are 'national' in the sense that they are of value to the nation as a whole. However, most of the land remains in private hands. Special National Park authorities have been set up, one for each park. Among other things, they:

- act as the development control authority for their areas;
- negotiate public access and land management agreements and encourage farmers to manage their land in the traditional way;

- plant trees and look after footpaths; and
- set up information centres and employ rangers.

The Norfolk and Suffolk Broads have their own independent authority and enjoy protection equivalent to that of a National Park.

A total of 39 AONBs have been designated, covering around 19,570 sq km (7,630 sq miles) in England and 844 sq km (326 sq miles) in Wales. They comprise parts of the countryside which lack extensive areas of open country suitable for recreation and hence National Park status, but which nevertheless have an important landscape quality. Local authorities are encouraged to give special attention to AONBs in their planning and countryside conservation work.

In Scotland there are four regional parks and 40 National Scenic Areas, covering more than 1 million hectares (2.5 million acres), where certain kinds of development are subject to consultation with SNH and, in the event of a disagreement, with the Secretary of State for Scotland. Working parties have been established to make recommendations for the management of the Cairngorms and for Loch Lomond and the Trossachs, two areas of outstanding natural importance in Scotland. In the wider countryside, SNH provides grants for a range of countryside projects.

In Northern Ireland the Council for Nature Conservation and the Countryside advises the Department of the Environment for Northern Ireland on the preservation of amenities and the designation of areas of outstanding natural beauty. Nine such areas have been designated, covering 285,000 hectares (705,000 acres), and seven areas are being managed as country parks and one as a regional park.

There are 11 forest parks in Great Britain, covering some 244,000 hectares (603,000 acres) and administered by the Forestry Commission. There are nine in Northern Ireland, where they are administered by the Forest Service of the Department of Agriculture.

Many voluntary organisations are concerned to preserve the amenities of the countryside, including the Council for the Protection of Rural England, the Campaign for the Protection of Rural Wales, the Association for the Protection of Rural Scotland and the Ulster Society for the Preservation of the Countryside.

Public Rights of Way and Open Country

County and metropolitan district councils in England and Wales are responsible for keeping public rights of way signposted and free from obstruction. Public paths are usually maintained by these highway authorities, which also supervise landowners' duties to repair stiles and gates. In Scotland, planning authorities are responsible for asserting and protecting rights of way. Local authorities in Great Britain can create paths, close paths no longer needed for public use and divert paths to meet the needs of either the public or landowners. Farmers in England and Wales are required by law rapidly to restore public paths damaged by agricultural operations. In England and Wales there are some 225,000 km (140,000 miles) of rights of way. There are ten approved national trails open in England and Wales, covering over 2,900 km (1,800 miles), and three approved long-distance routes in Scotland, covering some 580 km (360 miles). The Countryside Commission intends to help authorities bring all rights of way in England into good order by the end of the century, and a Parish Path Partnership scheme has been introduced, which is designed to stimulate local maintenance and improvement. The CCW intends to establish a network of public rights of way by 1995.

There is no automatic right of public access to open country, although many landowners allow it more or less freely. Local planning authorities can secure access by means of agreements with landowners. If agreements cannot be reached, authorities may acquire land or make orders for public access. Similar powers cover Scotland and Northern Ireland; in Northern Ireland the primary responsibility lies with district councils. In Scotland there is a tradition of

freedom to roam, based on tolerance between landowners and those seeking reasonable recreational access to the hills.

Common land totals an estimated 600,000 hectares (1.5 million acres) in England and Wales, but a legal right of public access exists to only one-fifth of this area. Common land is usually privately owned, but people other than the owner may have various rights over it, for example, as pasture land. Commons are protected by law and cannot be built on or enclosed without the consent of the Secretaries of State for the Environment or Wales; this consent is normally only given for minor public works. There is no common land in Scotland or Northern Ireland.

Environmental Improvement Schemes

The Government assists local voluntary organisations to promote projects such as creating parks, footpaths and other areas of greenery in cities; conserving the industrial heritage and the natural environment; and recycling waste. The Department of the Environment makes grants through the Urban Programme (see p 176) and the Special Grants Programme to support projects with either direct or indirect environmental gains. Spending from the former on such projects was estimated at over £52 million in 1991-92, and from the latter at £4.7 million. The Special Grants Programme funding for countryside and environmental protection is being replaced by the Environmental Action Fund from 1993-94.

The Welsh Office is making £500,000 available to voluntary organisations under its Environment Wales initiative. The Scottish Office Environment Department is making £323,000 available in 1992-93 to environmental organisations under its Special Grants (Environmental) Programme. A further £408,000 is being made available to UK 2000 Scotland, a partnership between central and local government, voluntary bodies and the private sector, which carries out practical environmental improvements. Scottish Enterprise and Highlands and Islands Enterprise (see p 11) are responsible for environmental improvement and land reclamation in Scotland.

The Government's programme of Environmentally Sensitive Areas (see p 308) is a voluntary scheme run by the Ministry of Agriculture, Fisheries and Food, under which, in return for payments, farmers agree to follow environmentally sensitive practices that protect and enhance the countryside. The Groundwork Foundation, a partnership of public bodies, the private sector, voluntary organisations and individuals, aims to tackle environmental problems arising from dereliction and vandalism and to increase public awareness of the opportunities to change and improve local environments. Government funding for England in 1992-93 for the Groundwork Foundation is £5.3 million; a target has been set of establishing 50 trusts in England and Wales by 1994.

World Heritage Sites

Britain is fully represented in the World Heritage List, which was established under the World Heritage Convention to identify and secure lasting protection for those parts of the world heritage of outstanding universal value. So far 13 sites in Britain have been listed. These are:

- Canterbury Cathedral, with St Augustine's Abbey and St Martin's Church, in Kent;
- Durham Cathedral and Castle;
- Studley Royal Gardens and Fountains Abbey, in North Yorkshire;
- Ironbridge Gorge, with the world's first iron bridge and other early industrial sites, in Shropshire;
- the prehistoric stone circles at Stonehenge and Avebury, in Wiltshire;
- Blenheim Palace, in Oxfordshire;
- the city of Bath, in Avon;
- Hadrian's Wall;
- the Tower of London;
- the Palace of Westminster, Westminster Abbey and St Margaret's, Westminster, also in London;
- the islands of St Kilda, in Scotland;

- the castles and town walls of King Edward I, in north Wales; and
- the Giant's Causeway and Causeway Coast, in Northern Ireland.

Government support for these sites can be considerable. For example, in February 1991 a £4 million endowment for the Ironbridge Heritage Foundation was announced to ensure the future of these remains from the earliest days of the Industrial Revolution.

Britain contributes about £600,000 annually towards the work of the Council of Europe's heritage committee.

Control of Pollution

The Environmental Protection Act 1990, which applies to Great Britain, has strengthened the existing system of protection against pollution. Legislation sets out a wide range of powers and duties for central and local government, including controls over waste, air pollution, litter, noise, and emissions to water.

Administration

Executive responsibility for pollution control is divided between local authorities and central government agencies. Central government makes policy, exercises general budgetary control, promotes legislation and advises pollution control authorities on policy implementation. The Secretary of State for the Environment has general responsibility for co-ordinating the work of the Government on environmental protection. In Scotland, Wales and Northern Ireland the respective Secretaries of State are responsible for pollution control co-ordination within their countries. Local authorities also have important duties and powers. They are responsible for matters such as:

- collection and disposal of domestic wastes;
- keeping the streets clean from litter;
- control of air pollution from domestic and from many industrial premises; and
- noise and general nuisance abatement.

The National Rivers Authority (NRA) is responsible for the control of water pollution in England and Wales; it is expected to spend £123 million on grant-aided services in 1992–93. In Scotland, the river purification authorities have statutory responsibility for water pollution control; the seven mainland authorities forecast expenditure of £11.8 million in 1992–93. In Northern Ireland, water quality is monitored by the Environmental Service of the Department of the Environment for Northern Ireland. In England and Wales Her Majesty's Inspectorate of Pollution (HMIP) has an important role in the control of emissions to land, air and water from certain industrial processes through the mechanism of 'integrated pollution control' (see below). The Government is committed to bringing together the functions of HMIP and the NRA into a single Environment Agency.

An independent standing Royal Commission on Environmental Pollution advises the Government on national and international matters concerning the pollution of the environment, on the adequacy of research and on the future possibilities of danger to the environment. So far it has produced 16 reports.

Integrated Pollution Control

Under the Environmental Protection Act 1990, a system of 'integrated pollution control' (IPC) is being phased in to control certain categories of industrial pollution. The most harmful processes are specified for IPC, and require authorisation from HMIP. Less harmful air pollution is controlled under a system of local authority air pollution control. In granting authorisation for releases under IPC, the Inspectorate requires the use of the best available techniques not entailing excessive cost to prevent or minimise polluting emissions and to ensure that any releases are made harmless.

Her Majesty's Industrial Pollution Inspectorate is the Scottish equivalent of HMIP, and administers IPC jointly with the river purification authorities. In Northern Ireland broadly similar controls are exercised by the Environment Service, and proposals

are being formulated for the introduction of a system of IPC.

The Government is pressing for the introduction of IPC on the British model within the European Community.

A government report published in January 1992 shows that the level of dioxins in British food is so low that they can only be detected by the most sophisticated techniques capable of measuring accurately to ten parts in one thousand million.

The Land

Certain local authorities are designated as waste regulation authorities, responsible for regulating the disposal of controlled wastes. They are required to draw up and revise periodically a waste disposal plan. Legislation has also established a licensing system for waste disposal sites, treatment plants and storage facilities receiving controlled wastes. It provides for a more intensive control system for certain especially difficult wastes. HMIP and the Hazardous Waste Inspectorate for Scotland may advise local authorities on how to improve their control of waste management and on how to work towards environmentally acceptable standards for dealing with hazardous wastes. In Northern Ireland, similar advice is offered to district councils by the Environment Service.

Part II of the Environmental Protection Act, which is being phased into force from April 1992 onwards, strengthens existing curbs on waste disposal. Responsibility for proper handling of waste has been imposed on everyone who has control of it from production to final disposal or reclamation. Authorities will be able to refuse licences if the applicant is not a fit and proper person. Operators will be responsible for their sites until all risks of gases or pollution are eliminated. In England and Wales local authorities' waste disposal operations are to be transferred to 'arm's length' companies or private contractors so as to separate them from the authorities' other jobs of setting policies and standards, and enforcement.

Waste regulation authorities will become both more locally accountable and more closely supervised by HMIP. Subject to further legislation, the Government intends that its proposed Environment Agency would take over local authority waste regulation functions.

In Scotland, the responsibility for collection, disposal and regulation of refuse remains with the district and islands councils, whose waste management function is examined by the Hazardous Waste Inspectorate. In Northern Ireland, responsibility for the collection, disposal and regulation of waste rests with the district councils.

Litter

It is a criminal offence to leave litter in any public place in the open air or to dump rubbish except in designated places. The maximum penalty for this, previously set at £400, was increased under the Environmental Protection Act to £1,000. The Act also introduced new powers for the issue of litter abatement orders and new duties on local authorities to keep their public land as free of litter and refuse (including dog faeces) as practicable. Similar powers are expected to come into force in Northern Ireland during 1993. To help counteract the problem of litter, financial support is given to the Tidy Britain Group (£2.8 million in 1992-93), which provides a comprehensive litter abatement programme in collaboration with local authorities. The Group secures sponsorship from industry to undertake litter abatement promotions and programmes such as its Neighbourhood Litter Watch scheme. The Group's activities were extended to Northern Ireland with the establishment in 1990 of Tidy Northern Ireland.

Recycling and Materials Reclamation

The Government encourages the reclamation and recycling of waste materials wherever this is practicable; its target is for half of all recyclable household waste to be reused by 2000. Under the Environmental Protection Act 1990, local authorities have to make plans

for the recycling of waste. The Government has supported pilot 'Recycling City' initiatives in Sheffield, Cardiff, Dundee and the county of Devon, which have tested a variety of collection and sorting methods. Trial collections of recyclable waste are being supported and monitored in these and other locations. Members of the public can deposit used glass containers for recycling in bottle banks—there are over 7,000 such sites in Britain, and it is anticipated that there will be 10,000 by 1995. There are also similar 'can banks' and 'paper banks' and, in some cases, plastics or textiles banks to collect these materials for recycling. In addition, voluntary organisations arrange collections of waste material. Discussions with industry aimed at improving markets for collected recyclable waste have led to voluntary targets, such as a 40 per cent recycled content of newspapers by 2000, and grant aid for research and new plant.

Water

In general, it is against the law to allow any polluting matter to enter water in Britain except in accordance with a legal authorisation. In England and Wales the NRA is responsible for protecting water quality. Its principal method of controlling water pollution is through the regulation of all effluent discharges into inland and coastal waters (except those subject to IPC, which are controlled by HMIP). Discharge consents issued by the NRA specify what may be discharged and set limits on the volume and content of effluent, in order to achieve appropriate water quality standards. The NRA maintains public registers containing information about discharge consents and water quality. Similar arrangements apply in Scotland, where control is exercised by river purification authorities. The Environment Service is responsible for controlling water pollution in Northern Ireland.

Over the past 30 years, notable progress has been made in cleaning up the previously heavily polluted major estuaries of the east coast of England and Scotland—the Thames, Humber, Tees, Tyne and Forth—which now

support varied populations of fish and other wildlife. A 25-year scheme supported by the Government and the European Community aims to reduce river pollution and improve water quality throughout the Mersey river basin and estuary. Other major schemes in progress include programmes to improve water quality in the Clyde in Scotland and the Lagan in Northern Ireland.

More than 95 per cent of the population in Britain lives in properties connected to a sewer, and sewage treatment works serve over 80 per cent of the population. In England and Wales the water industry is planning to spend some £14,000 million (at 1989 prices) up to the year 2000 on improving sewage treatment and disposal. Progressively higher treatment standards for industrial waste effluents and new measures to combat pollution from agriculture are expected to bring further improvements in water quality. In Scotland, sewage treatment and disposal come within the water and sewerage programme, which will total more than £600 million in the three years to 1993-94.

The Government is committed to meeting the requirements of a number of European Community directives for the protection and improvement of water quality, for example, on the quality of surface water for abstraction for drinking water supply, the quality needed to support freshwater fisheries, the quality of water for bathing areas (see p 201) and the treatment of urban waste water.

Marine Environment

Britain is a leading participant in the series of North Sea Conferences. This international forum of the countries bordering the North Sea provides the prime focus for the development of Britain's policies on the marine environment. Measures agreed are being applied by Britain to all its coastal waters, not just the North Sea.

Good progress is being made in reducing the amount of toxic substances released into the sea. The Government's target is a reduction of the order of 50 per cent by 1995, and of 70 per cent in the most dangerous substances such as cadmium, mercury, dioxins and lead. Substantial

reductions have already been achieved. For example, the discharge of lead into the North Sea fell by 89 per cent between 1985 and 1990, the discharge of cadmium fell by 61 per cent and mercury discharges fell by 51 per cent.

Reduced inputs of heavy metals are reflected in the results of tests on fish caught in British waters. In 1979, the average concentration of mercury in cod caught in Liverpool Bay was 0.26 milligrammes per kilogramme; by 1989 this had fallen to 0.15 mg/kg.

Prevention of marine pollution from ships is based largely on international conventions drawn up under the auspices of the International Maritime Organization, a United Nations agency with its headquarters in London. These requirements are implemented for British ships by domestic legislation. British legislation requires ships to be fitted with specific pollution control equipment. It makes it an offence for ships of any nationality to discharge oil, oily mixtures or ships' garbage into British territorial waters. It is also an offence for British-registered ships to make similar discharges into the sea anywhere in the world, except in accordance with the regulations. Enforcement of these regulations is undertaken by the Department of Transport.

Offshore oil operators must ensure that oil does not escape into the sea and are required to have contingency plans for dealing with oil spilled accidentally. Discharges containing oil are controlled under the Prevention of Oil Pollution Act 1971. It has been agreed by the North Sea Conference to progressively eliminate pollution caused by discharges of oil-contaminated drilling cuttings from offshore platforms.

The Department of Transport's Marine Pollution Control Unit is responsible for dealing with pollution at sea when oil or other dangerous substances from a shipping casualty threaten major coastal pollution. It maintains a national contingency plan and dispersant spraying, cargo transfer, mechanical recovery and beach-cleaning resources. It also has two remote sensing

aircraft capable of detecting possible illegal discharges and of quantifying oil pollution. In 1991 the Unit received 220 reports of pollution, of which 38 were detected by its aircraft. None of these was major and only 23 required further action by the Unit.

Discharges of oil in drill cuttings from Britain's oil industry fell from 18,500 tonnes in 1988 to 12,320 tonnes in 1990.

A licence has to be obtained for the permanent deposit of any substance or article into the sea and tidal waters below the high water mark. Disposal at sea is presently permitted where no harm to the marine environment can be shown and where there are no practicable alternatives on land. Nevertheless, as a precautionary measure, a timetable for ending the disposal of industrial waste at sea was announced by the Government in 1990. The Government's intention is that no industrial waste should be dumped at sea beyond early 1993, and the number of licences for this has been cut from 24 in 1987 to just two. Waste has not been licensed for incineration at sea since 1990.

Bathing Waters

The Government has announced investment of around £2,160 million by the water industry to provide increased sewage treatment, while a £1,400 million programme is intended to improve the quality of Britain's bathing waters. In March 1990, the Government announced that the sea dumping of sewage sludge would be terminated completely by the end of 1998. In the 1991 tests of bathing water quality, it was found that 76 per cent of identified bathing waters (343 out of 453) in Britain met the mandatory coliform bacteria standards of the European Community Bathing Water directive, compared with 66 per cent of beaches in 1988. The Government expects all but a handful of bathing waters to meet the directive's standards by 1995 and to achieve full compliance soon thereafter.

Air Pollution

Responsibility for clean air rests primarily with local authorities. Under the Clean Air Acts 1956 and 1968 they may declare 'smoke control areas' within which the emission of smoke from chimneys is an offence. About two-thirds of the premises in conurbations are covered by smoke control orders—over 6,000 are in force. Emissions from most industrial processes are also subject to control by local authorities. Those processes with the greatest potential for harmful emissions are, however, controlled under the Environmental Protection Act 1990, in England and Wales by HMIP; they are becoming subject to IPC. Processes with a significant but lesser potential for air pollution require approval from local authorities. Under the Clean Air Acts, emissions of dark smoke from any trade or industrial premises or from the chimney of any building are also prohibited, and new furnaces must be capable as far as is practicable of smokeless operation. The 1990 Act also gave local authorities in England and Wales streamlined powers to deal with statutory nuisances, including smoke, dust and smells.

Considerable progress has been made towards the achievement of cleaner air and a better environment in the last 30 years or so. Total emissions of smoke in the air have fallen by over 85 per cent since 1960. The domestic smoke control programme has been particularly important in achieving this result. London no longer has the dense smoke-laden 'smogs' of the 1950s and in central London winter sunshine has increased by about 70 per cent since 1958. Similar improvements have been achieved in other cities.

Air pollution data from the Department of the Environment's monitoring network are released to the national press and television each day as Air Quality Bulletins. These give the concentrations of three main pollutants—ozone, nitrogen dioxide and sulphur dioxide—and grade air quality on a scale between 'very poor' and 'very good'. The data are also available to members of the public on a special telephone number, in several newspapers and on videotext systems.

A comprehensive government review of

urban air quality was announced in January 1992. It will have three independent committees of experts to advise on different aspects of the problem, and will set guidelines and targets for air quality in Britain. The automatic air quality monitoring network is also being upgraded at a cost of £10 million.

Climate Change

The greenhouse effect is a natural phenomenon which keeps the earth at a temperature which can sustain life. But increasing man-made emissions of 'greenhouse gases', such as carbon dioxide, methane and nitrous oxide, are leading to greater concentrations of these gases in the atmosphere. In 1988 the United Nations Environment Programme and the World Meteorological Organisation established the Intergovernmental Panel on Climate Change to consider climate change and possible responses to it. Britain chairs the working group which assesses the scientific evidence on climate change. It has concluded that man-made emissions would lead to additional warming of the earth, and that, without any change in emissions, global average temperature would increase by 0.3°C a decade, which would be faster than at any time over the past 10,000 years. Such changes could have major effects on the world.

In December 1990 the United Nations set up an Intergovernmental Negotiating Committee to draw up a framework convention on climate change. Britain played a leading role in the negotiations towards the convention, which was opened for signature at the UNCED meeting in Rio de Janeiro in June 1992. This commits all signatories to devising and reporting on the measures that they propose to take to combat climate change. Britain sees the outcome of the negotiations as a significant first step in the global response to climate change; the review process incorporated into the convention is one of its most important aspects. Britain was one of over 150 countries that signed the convention at the UNCED meeting.

Britain has also announced that it is

prepared to return carbon dioxide emissions to 1990 levels by 2000, provided other countries take similar action. To meet this target, energy efficiency measures are the first priority; further steps are likely in the longer term. Current measures to combat the problem include:

- an increased budget for the Energy Efficiency Office (see Chapter 15);
- a major three-year publicity campaign on the greenhouse effect and energy use in the home;
- tighter building regulations to promote the energy efficiency of new houses;
- a government pledge to achieve a 15 per cent improvement in the energy efficiency of its buildings over a five-year period; and
- a review of the potential of renewable energy sources.

Britain is also making a major research effort into global warming. The Hadley Centre for Climate Prediction and Research was opened in 1990 to build on the climate modelling programme of the Meteorological Office, at a cost of about £6 million a year to the Department of the Environment. The Department's total expenditure on research related to climate change will be over £14 million in 1992-93.

Ozone Layer

The Government is committed to the earliest possible phasing out of all ozone-depleting substances. Britain was one of the first 25 signatories to the Montreal Protocol, which deals with the protection of the ozone layer. It hosted the second meeting of the parties in June 1990, which substantially strengthened the protocol. Under the revised protocol, the supply of chlorofluorocarbons (CFCs), halons and carbon tetrachloride is to be phased out by 2000 and 1,1,1 trichloroethane by 2005. There is provision for exemptions for any essential uses of halons. European Community legislation requires CFCs to be phased out by mid-1997, with exemptions for any essential uses until the end of 1999.

However, recent scientific evidence shows

a need for further measures. The Montreal Protocol is to be reviewed in November 1992, and Britain is co-chairing the negotiations leading up to the review. The European Community is proposing that CFCs, halons, carbon tetrachloride and 1,1,1 trichloroethane should be phased out by the end of 1995. It is also proposing that there should be tight controls on hydrochlorofluorocarbons (HCFCs—transitional substances with less ozone-depleting capacity than CFCs, which are needed in a number of areas if industry is to move away from CFCs quickly).

Emissions of Sulphur Dioxide and Oxides of Nitrogen

Sulphur dioxide and oxides of nitrogen are the main gases that lead to acid rain. The principal sources are combustion plants that burn fossil fuels, such as coal-fired power stations, and, for oxides of nitrogen, road transport. National sulphur dioxide emissions have fallen by about 40 per cent since 1970 and the Government has initiated a substantial programme to ensure that this fall continues. For example, under the European Community directive on the control of emissions from large combustion plants, the Government has published a national plan setting out phased reductions in emissions from existing plants of oxides of nitrogen to 1998 and of sulphur dioxide to 2003.

Table 9.1: Target Percentage Reductions of Emissions from 1980 Baselines

By	1993	1998	2003
Sulphur dioxide	21	45	63
Oxides of nitrogen	21	35	—

Source: Department of the Environment.

The damaging effect of acid depositions from combustion processes on freshwaters and soils has been demonstrated by scientific research. The Government is spending about £10 million a year on an extensive research programme into the causes and effects of acid rain, and the likely results of possible abatement technologies. Lower emissions of sulphur dioxide over the past 20 years have

led to the first signs of a decrease in acidification in some lochs in south-west Scotland.

Vehicle Emissions

There are about 24 million vehicles on Britain's roads, contributing substantially to Britain's total emissions of carbon dioxide, carbon monoxide, hydrocarbons and oxides of nitrogen. Since 1970 a series of increasingly stringent regulations on cars and light vans has been implemented by the Government to bring carbon monoxide emissions from each new car down by 50 per cent and hydrocarbon and nitrogen oxide emissions by over 30 per cent. The European Community has agreed strict new standards for these vehicles, which will reduce all emissions from new cars by a further 75 per cent and require almost all new petrol-engined cars to be fitted with fully-controlled catalytic converters and run on unleaded petrol. Further limits are being considered. The Community is committed to looking into possible controls on carbon dioxide emissions from cars. Britain has also pressed the Community to introduce very strict emission standards for heavy goods vehicles and buses by the mid-1990s, and a common position was agreed in March 1991. This will introduce stricter limits for gaseous emissions and, for the first time, limits on particulate emissions. The Government has introduced checks on exhaust emissions into the annual test of vehicle roadworthiness, measuring carbon monoxide and hydrocarbons. These limits are also subject to enforcement at roadside spot-checks.

The amount of lead in the air in Britain has halved since the permitted lead content in petrol was reduced in 1986 from 0.4 to 0.15 grammes a litre.

Britain took a leading role in negotiating a European Community directive which required unleaded petrol to be available throughout the Community by October 1989. Almost all petrol stations in Britain now sell unleaded petrol, and new cars must be able to run on it. A substantial tax differential has been created in favour of unleaded fuel, and

demand for it has risen rapidly. By April 1992 unleaded petrol accounted for 45 per cent of petrol sales in Britain.

Internationally developed standards have also been introduced to control the emission from civil aircraft of smoke, vented fuel and unburned hydrocarbons. Current indications are that aircraft contribute only a small amount to overall pollution, although the Government is funding further research and taking a leading role in European studies on this issue.

Noise

Local authorities have a duty to inspect their areas for noise nuisance and to investigate complaints about it. They must serve a noise abatement notice on people deemed to be creating a noise nuisance. They can also designate 'noise abatement zones' within which registered levels of noise from certain premises may not be increased without their permission. There are also specific provisions in law to:

- control noise from construction and demolition sites;
- control the use of loudspeakers in the streets; and
- enable individuals to take independent action through the courts against noise amounting to a nuisance.

Tougher measures against noise were proposed in the environment White Paper. Most of its commitments were endorsed by an independent working party set up by the Government to review noise control, which reported in October 1990. Government spending on environmental noise research is expected to be about £800,000 in 1992-93.

Transport is a major source of noise, and control measures are aimed at reducing it at source, through requirements limiting the noise that aircraft and motor vehicles may make, and at protecting people from its effects. Regulations set out the permissible noise levels for various classes of new vehicle. Government research also looks at ways of reducing noise, and has demonstrated the feasibility of tougher noise limits for heavy goods vehicles.

Compensation may be payable for loss in property values caused by physical factors, including noise from new or improved public works such as roads, railways and airports. Regulations also enable highway authorities to carry out or make grants for insulation of homes that would be subject to specified levels of increased noise caused by new or improved roads. Noise insulation may be provided where construction work for new roads may seriously affect nearby homes.

Britain has played a leading role in negotiations aimed at the gradual phasing out of older, noisier subsonic jet aircraft. Flying non-noise certificated aircraft has been banned in Britain, and since 1990 British operators have no longer been allowed to add to their fleets further 'Chapter 2' aircraft (noisier planes, as classified by international agreement). A complete ban on the operation of Chapter 2 aircraft will begin to be implemented in April 1995, and it is intended to phase out all these types by April 2002. Various operational restrictions have been introduced to reduce noise disturbance further at Heathrow, Gatwick and Stansted, where the Secretary of State for Transport has assumed responsibility for noise abatement. These measures include:

- restrictions on the type and number of aircraft operating at night;
- the routing of departing aircraft on noise-preferential routes; and
- quieter take-off and landing procedures.

The population affected by aircraft noise at Heathrow fell from nearly 1.5 million in 1978 to less than 550,000 in 1988, even though the number of air transport movements increased by about a quarter. This was largely because of the phasing out of older, noisier aircraft.

The Government is also reviewing arrangements for noise mitigation at smaller airfields.

Radioactivity

Man-made radiation represents only a small fraction of that to which the population is exposed; most is naturally occurring. Nevertheless, that fraction is subject to stringent control. Users of radioactive

materials must be registered by HMIP in England and Wales, and equivalents in Scotland and Northern Ireland, and authorisation is also required for the accumulation and disposal of radioactive waste. The Health and Safety Executive, through its Nuclear Installations Inspectorate, is the authority responsible for the granting of nuclear site licences for major nuclear installations. No installation may be constructed or operated without a licence granted by the Executive.

The National Radiological Protection Board (NRPB) provides an authoritative point of reference on radiological protection. Following the accident at the Chernobyl nuclear power station in the then Soviet Union in 1986, the Government has set up a national radiation monitoring network and overseas nuclear accident response system (RIMNET). An interim version has been operating since 1988. This is being replaced during 1992 by a larger system with 92 monitoring stations across Britain.

In 1987 the Government announced measures to deal with the problem of naturally occurring radon gas in houses, including a free survey by the NRPB for householders living in radon-affected areas. In 1990 the Government halved the level at which it is recommended that householders take action to reduce radon in their homes. The NRPB has designated Cornwall and Devon as a 'Radon Affected Area' (an area where more than 1 per cent of the houses exceed the action level).

Radioactive Waste Disposal

Radioactive wastes vary widely in nature and level of activity, and the methods of disposal reflect this. Some wastes can be disposed of safely in the same way as other industrial and household wastes. UK Nirex Ltd is responsible for developing a deep disposal facility for solid low-level and intermediate-level radioactive waste. In July 1991 it announced that its site investigations were being concentrated on an area adjacent to the British Nuclear Fuels site at Sellafield (Cumbria). The Department of the Environment is sponsoring research, in

collaboration with other countries, into disposal of high-level or heat-generating waste. This waste will first be stored in vitrified form for at least 50 years to allow the heat and radioactivity to decay. The Department of the Environment's 1992-93 budget for research into environmental radioactivity and radioactive waste is £7 million.

Genetically Modified Organisms

The Environmental Protection Act 1990 introduced stronger controls over genetically modified organisms (GMOs). Anyone who intends to carry out activities with GMOs first has to do an environmental risk assessment and, in some cases, first notify the Government or obtain its consent. The Government has powers to prevent activities with GMOs where this would involve a significant risk of damage to the environment, and inspectors have the power to destroy or render harmless organisms which are likely to cause damage to the environment. A unified system of administrative control for GMOs is being developed in parallel with these provisions, involving the Department of the Environment, the Health and Safety Executive and other interested departments.

Environmental Research

Research into environmental protection is generally co-ordinated by the Department of the Environment. The Government stated in *This Common Inheritance* that such work is essential to its environmental policies. It has been estimated that total government spending on environmental research and development in 1991-92 was £300-£400 million, including work in areas such as renewable energy. Government spending on investigations into climate change was £250 million. The Department of the Environment expects to spend about £87 million in 1992-93 on research into subjects including:

- climate change;
- atmospheric pollution and its monitoring;
- toxic chemicals and GMOs;

- waste disposal; and
- water quality and health.

Other departments have substantial programmes, notably the Ministry of Agriculture, Fisheries and Food, the Scottish Office Agriculture and Fisheries Department and other official bodies such as the NRA and the Meteorological Office.

One of the initiatives launched under the White Paper was the Environmental Technology Innovation Scheme, which combines existing schemes to promote innovation and competitiveness in the environmental technology industry.

Research Councils

Basic and strategic research is carried out by the five government-funded research councils (see pp 380–5). All have a role in environmental protection research, but particularly important is the Natural

Environment Research Council (NERC), which has a science budget allocation of £130 million in 1992–93, plus expected receipts of about £43 million from commissioned research and other income. The NERC undertakes and supports research in the environmental sciences and funds postgraduate training. Its programmes encompass the marine, earth, terrestrial, freshwater, polar and atmospheric sciences. The NERC stresses international collaborative work on global environmental issues. For example, it is helping to develop global atmospheric climate models and strengthening atmospheric research in the Arctic. A major new research programme, the Terrestrial Initiative in Global Environmental Research, has been started, so that the impact of climate change on Britain and elsewhere can be foreseen. The NERC also co-ordinates the development and operation of the Environmental Change Network.

10 Religion

Although Britain has been predominantly Christian since Saxon times, following the Reformation in the sixteenth century many different Christian denominations have existed. Today most of the world's other religions are also represented in Britain, including large Hindu, Jewish, Muslim and Sikh communities.¹

Religious Freedom

Everyone in Britain has the right to religious freedom—in teaching, worship and observance—without interference from the community or the State. Religious organisations and groups may own property, run schools, and promote their beliefs in speech and writing. There is no religious bar to the holding of public office.

Britain has a long tradition of religious tolerance. Freedom of conscience in religious matters was achieved gradually from the seventeenth century onwards. The laws discriminating against minority religious groups were gradually administered less harshly and then finally repealed. Heresy ceased to be a legal offence with the passage of the Ecclesiastical Jurisdiction Act 1677, and the Toleration Act 1688 granted freedom of worship to Protestant minority groups. In 1828 the repeal of the Test and Corporation Acts gave nonconformists full political rights, making it possible for them to be appointed to public office. Roman Catholics gained political rights under the Roman Catholic Relief Act 1829, and the Jewish Relief Act 1858 enabled Jews to become Members of Parliament. In addition, the religious tests imposed on prospective students and academic staff of the universities of Oxford, Cambridge and Durham were successively abolished by Acts of 1854, 1856 and 1871.

¹ For further details see *Religion* (Aspects of Britain: HMSO, 1992).

Similar restrictions on the staff of Scottish universities were formally removed in 1932.

The past 30 years have seen the acceptance of a wide variety of religious beliefs and traditions of large numbers of immigrants of different nationalities. Arrangements are made at places of work to allow the members of non-Christian religions to follow their religious observances.

Relations with the State

There are two established churches in Britain, that is, churches legally recognised as official churches of the State: in England the (Anglican) Church of England, and in Scotland the (Presbyterian) Church of Scotland. Ministers of the established churches, as well as clergy belonging to other religious groups, work in services run by the State, such as the armed forces, national hospitals and prisons, and are paid a salary for such services by the State. Voluntary schools provided by religious denominations may be wholly or partly maintained from public funds. Religious education in publicly maintained schools is required by law throughout Britain, as is a daily act of collective worship (see p 156). Religious broadcasting is subject to some legislative controls (see Chapter 24).

The Government contributes towards the upkeep of some 270 redundant Church of England churches for which no alternative use can be found but which are of architectural or historic importance. The contribution for the period 1989 to 1994 will be about £8.7 million.

The State makes no direct contribution to church expenses, although since 1977 limited state aid has been given for the repair of historic churches; in 1990–91 English

Heritage grants to churches totalled £8.2 million. In 1991 the Government announced that £11.5 million of new money would be made available to assist with the cost of repairs to cathedrals and comparable buildings over the following three years. Such funding is not restricted to Church of England buildings.

Involvement in Social Issues

Religious involvement in broader social issues was highlighted in the Church of England report *Faith in the City: A Call for Action by Church and Nation*, published in 1985. This made recommendations for improving conditions in the inner cities and other socially deprived areas, and led to the establishment in 1988 of the Church of England's Church Urban Fund, which aims to raise money for the Church's work in inner city and other priority areas. By July 1992 it had raised over £22 million and given grants to over 500 inner city projects. Two further reports, *Living Faith in the City* and *Faith in the Countryside*, were published in 1990.

Statistics on Religious Affiliation

There is no standard information about the number of members of religious groups since questions are not normally asked about religious beliefs in censuses or for other official purposes, except in Northern Ireland. Each group adopts its own way of counting its members, and membership figures are therefore approximate.

There has been a fall in recent years in both the number of full-time ministers and the number of adults recorded as members of most of the larger Christian churches. At the same time there has been significant growth in a range of independent churches, and in new religious movements.

The Church of England

The Church of England, founded by St Augustine in AD 597, became the established church of the land in the Reformation in the sixteenth century. Its form of worship was

set out in the Book of Common Prayer, dating from 1549. The Church of England's relationship with the State is one of mutual obligation—the Church's privileges are balanced by certain duties it must fulfil. The Sovereign must always be a member of the Church, and promise to uphold it. Church of England archbishops, bishops and deans are appointed by the Sovereign on the advice of the Prime Minister, and all clergy swear their allegiance to the Crown. The Church can regulate its own worship. The two archbishops (of Canterbury and York), the bishops of London, Durham and Winchester, and 21 other senior bishops sit in the House of Lords. Clergy of the Church, together with those of the Church of Scotland, the Church of Ireland and the Roman Catholic Church, may not sit in the House of Commons.

The Church has two provinces: Canterbury, comprising 30 dioceses, including the Diocese of Europe; and York, which has 14 dioceses.

The dioceses are divided into about 13,000 parishes. There are, altogether, about 10,500 ordained stipendiary Church of England priests, and about 600 stipendiary women deacons. In 1989 it was estimated that, in the two provinces (excluding the Diocese of Europe), some 233,000 people were baptised into the Church; of these, 186,000 were under one year old, representing nearly 29 per cent of live births. In the same year there were 61,656 confirmations. Attendances at services on a normal Sunday are around 1.2 million. In 1989, 118,956 marriages were solemnised in the Church of England and the Church in Wales. These accounted for 66.1 per cent of all marriages with religious ceremonies, and 34.3 per cent of all marriages in England and Wales. Many people who rarely, if ever, attend services still regard themselves as belonging to the Church of England.

The central governing body is the General Synod, which comprises separate houses of bishops, clergy and lay members. Lay people are also concerned with church government in the parishes. The Synod is the centre of an administrative system dealing with such matters as missionary work, inter-church

relations, social questions, and recruitment and training for the ministry. It also covers other church work in Britain and overseas, the care of church buildings, church schools (which are maintained from public funds), colleges of education, and centres for training women in pastoral work.

The Church's investment income is managed mainly by the Church Commissioners. Most of the remainder of the Church's income is provided by local voluntary donations.

At present, only men may join the priesthood, but in 1987 the General Synod voted to proceed with legislation to enable women to become priests; final decisions on the matter are likely to be taken in late 1992 or 1993. The Deacons (Ordination of Women) Measure 1986 has made it possible for women to become deacons.

The Anglican Communion

The Anglican Communion comprises 28 autonomous provinces in Britain and abroad, and three regional councils overseas with a total membership of about 70 million. In the British Isles there are four provinces: the Church of England (established), the Church in Wales, the Scottish Episcopal Church in Scotland, and the Church of Ireland.

Every ten years the Lambeth Conference meets for consultation between all Anglican bishops. The last Conference was held in Canterbury in 1988. Presided over by the Archbishop of Canterbury, the Conference has no executive authority, but enjoys considerable influence. The Anglican Consultative Council, an assembly of lay people and clergy as well as of bishops, meets every two or three years and is intended to allow consultations within the Anglican Communion.

The Church of Scotland

The Church of Scotland has a presbyterian form of government, that is, government by ministers and elders, all of whom are ordained to office. It became the national church following the Scottish Reformation and legislation of the Scottish Parliament,

consolidated in the Treaty of Union 1707 and the Church of Scotland Act 1921, the latter confirming its complete freedom in all spiritual matters. It appoints its own office bearers and its affairs are not subject to any civil authority.

The adult communicant membership of the Church of Scotland is about 790,000; there are about 1,250 ministers. Both men and women may join the ministry and about 1,500 churches are governed locally by Kirk Sessions, consisting of ministers and elders. Above the Kirk Session is the Presbytery, then the Synod, and finally the General Assembly, consisting of elected ministers and elders. This meets annually under the presidency of an elected moderator, who serves for one year. The Sovereign is normally represented at the General Assembly by the Lord High Commissioner.

There are also a number of independent Scottish Presbyterian churches, largely descended from groups which broke away from the Church of Scotland.

The Free Churches

The term 'Free Churches' is often used to describe some of the Protestant churches in Britain which, unlike the Church of England and the Church of Scotland, are not established churches. In the course of history they have developed their own traditions. All the major Free Churches allow both men and women to become ministers.

The Methodist Church, the largest of the Free Churches, with over 430,000 adult full members and a community of more than 1.3 million, originated in the eighteenth century following the evangelical revival under John Wesley (1703–91). The present church is based on a 1932 union of most of the separate Methodist Churches. It has 3,514 ministers and 7,207 places of worship.

The Baptists are mainly organised in groups of churches, most of which belong to the Baptist Union of Great Britain (formed in 1812), with about 160,000 members, 2,000 ministers and 2,150 places of worship. There are also separate Baptist Unions for Scotland, Wales and Ireland, and other independent Baptist Churches.

The United Reformed Church, with some 121,000 members, 1,016 ministers and 1,792 places of worship, was formed in 1972, when the Congregational Church in England and Wales (the oldest Protestant minority in Britain) and the Presbyterian Church of England merged. This was the first union of two different churches in Britain since the Reformation in the sixteenth century. In 1981 there was a further merger with the Reformed Association of the Churches of Christ.

The Salvation Army was founded in Britain in 1865 by William Booth (1829–1912). Within Britain there are 55,000 members, nearly 1,800 active full-time officers and almost 1,000 centres of worship.

The Salvation Army is well known for the work of its 130 social service centres, which range from hostels for the homeless to homes for those in need, and for its prison chaplaincy service, which covers 96 prisons.

Among the other Free Churches are the Presbyterian Church in Ireland, the Presbyterian (or Calvinistic Methodist) Church of Wales, the Union of Welsh Independents and the Afro-Westindian United Council of Churches.

The Roman Catholic Church

The formal structure of the Roman Catholic Church in England and Wales, which ceased to exist after the Reformation in the sixteenth century, was restored in 1850. The Scottish Church's formal structure went out of existence in the early seventeenth century and was restored in 1878. However, throughout this period Catholicism never disappeared entirely. There are now seven Roman Catholic provinces in Great Britain, each under an archbishop, and 29 dioceses, each under a bishop (22 in England and Wales and seven in Scotland, independently responsible to the Pope). There are about 2,800 parishes and 6,200 priests (only men may become priests). Northern Ireland has six dioceses, some with territory partly in the Irish Republic. About one British citizen in ten claims to be a Roman Catholic.

In 1982 Pope John Paul II paid a pastoral visit to Britain, the first by a reigning pope. The Pope is represented diplomatically in Britain by an Apostolic Pro-Nuncio.

The Roman Catholic Church attaches great importance to the education of its children and requires its members to try to bring up their children in the Catholic faith. Almost 5 per cent of the teachers in Britain's 2,500 Catholic schools are members of religious orders. These orders also undertake other social work; about 250 Roman Catholic religious orders, congregations and societies are represented in Britain. Most Catholic schools are maintained out of public funds.

Other Christian Churches

Other Protestant Churches include the Unitarians, Free Christians and the Pentecostals. The two main Pentecostalist organisations operating in Britain are the Assemblies of God and the Elim Pentecostal Church, many of whose members are of West Indian origin.

The Religious Society of Friends (Quakers), with about 18,000 adult members in Britain and 450 places of worship, was founded in the middle of the seventeenth century under the leadership of George Fox (1624–91). Silent worship is central to its life as a religious organisation.

The Christian Brethren are a Protestant body organised in their present form by J.N. Darby (1800–82). There are two branches, the Open Brethren (with an estimated 43,500 members) and the Closed or Exclusive Brethren (with an estimated 7,600 members).

A recent development in Christian worship has been the 'house church movement' (or 'new churches'), which began in the early 1970s and now has an estimated membership of almost 110,000. Services were originally held in private houses but now groups use a variety of hired buildings. These non-denominational congregations may come together as 'streams', of which some of the better known are New Frontiers, Pioneer and Ichthus.

Many Christian communities of foreign origin, including the Orthodox, Lutheran and Reformed Churches of various European

countries, and the Armenian Church, have established their own centres of worship, particularly in London.

There are also several other religious organisations in Britain which were founded in the United States in the last century. These include the Jehovah's Witnesses, the Church of Jesus Christ of the Latter-Day Saints (the Mormon Church), the Christian Scientists and the Spiritualists.

The Jewish Community

Jews first settled in England at the time of the Norman Conquest in the latter half of the eleventh century. The present community in Britain dates from 1656, having been founded by those of Spanish and Portuguese origin, known as Sephardim. Later more settlers came from Germany and Eastern Europe; they are known as Ashkenazim. The present community, numbering about 300,000, is the second largest in Europe.

The community is divided into two main groups. Some 77 per cent of the majority Ashkenazi Jews are Orthodox and most acknowledge the authority of the Chief Rabbi. The Sephardi Orthodox element follow their own spiritual head, the Haham. The recently established Masorti movement, the Reform movement, founded in 1840, and the Liberal and Progressive movement, established in 1901, account for most of the remaining 23 per cent.

Jewish congregations in Britain number about 350. About one in three Jewish children attend Jewish schools, some of which are supported by public funds. Several agencies care for elderly and handicapped people.

The officially recognised representative body is the Board of Deputies of British Jews.

The Muslim Community

The most recent estimates suggest that Britain's Muslim population is around 1 million. The largest number originate from Pakistan and Bangladesh, while sizeable groups have come from India, Cyprus, the Arab world, Malaysia and parts of Africa. A

growing community of British-born Muslims, mainly the children of immigrant parents, includes an increasing number of converts to Islam.

There are some 600 mosques and numerous Muslim prayer centres throughout Britain. Mosques are not only places of worship; they also offer instruction in the Muslim way of life and facilities for educational and welfare activities.

The first mosque in Britain was established at Woking, Surrey, in 1890.

Mosques now range from converted houses in many towns to the Central Mosque in London and its associated Islamic Cultural Centre, one of the most important Muslim institutions in the Western world. The Central Mosque has the largest congregation in Britain, and during festivals it may number over 5,000. There are also important mosques and cultural centres in Liverpool, Manchester, Leicester, Bradford, Edinburgh and Glasgow.

Many of the mosques belong to various Muslim organisations, and both the Sunni and the Shia traditions within Islam are represented among the Muslim community in Britain. Members of some of the major Sufi traditions have also developed branches in British cities.

The Sikh Community

A large British Sikh community, comprising over 300,000, originates mainly from India. The largest groups of Sikhs are in Greater London, Manchester, Birmingham, Nottingham and Wolverhampton. Sikh temples or gurdwaras cater for the religious, educational, social welfare, and cultural needs of their community. The oldest gurdwara in London was established in 1908 and the largest is in Southall, Middlesex. There are over 170 gurdwaras in Britain.

The Hindu Community

The Hindu community in Britain comprises around 300,000 members and also originates largely from India. The largest groups of

Hindus are to be found in Leicester, different areas of London, Birmingham and Bradford. The first Hindu temple or mandir was opened in London in 1962 and there are now over 150 mandirs in Britain.

Buddhism

The Buddhist community in Britain consists largely of adherents of British or Western origin. There are about 150 Buddhist groups in Britain and some 50 centres, with at least 20 monasteries and a number of temples. All the main schools of Buddhism are represented. The Buddhist Society promotes the principles of Buddhism; it does not belong to any particular school of Buddhism.

Other Religious Communities

Other religious communities include about 30,000 Jains, whose religion is of ancient Indian origin. The Zoroastrian religion, or Mazdaism, originated in ancient Iran. It is mainly represented in Britain by the Parsi community, who are by origin from the South Asian sub-continent. The Baha'i movement, which originated in nineteenth century Iran, regards all the major religions as divine in origin; there are an estimated 5,000 Baha'is in Britain.

New Religious Movements

A large number of new religious movements or cults, mainly established since the second world war (1939-45) and often with overseas origins, are active in Britain. Examples include the Church of Scientology, the Transcendental Meditation movement and the Unification Church (popularly known as the 'Moonies'). In response to public concern about the activities of some of these cults the Government has since 1987 provided funding for the Information Network Focus on Religious Movements (INFORM), which is also supported by the main churches. The aims of INFORM are to conduct research into new religious movements and to provide objective information about them. It can also refer people to counselling services.

Co-operation between Religions

A number of organisations exist which seek to develop relations between different religions in Britain. They include the Inter-Faith Network for the United Kingdom, which links a wide range of organisations with an interest in inter-faith relations including representative bodies from the Baha'i, Buddhist, Christian, Hindu, Jain, Jewish, Muslim and Sikh faith communities. Other organisations include the Council of Christians and Jews, which works for better understanding among members of the two religions and deals with problems in the social field. Religious leaders belonging to different faiths have also officiated jointly at a number of important public occasions. Christians, Muslims, Sikhs, Hindus, Jews and Buddhists, for example, have taken part together in the annual religious observance to mark Commonwealth Day, which has been attended by the Queen.

Co-operation among the Churches

The Council of Churches for Britain and Ireland was established in 1990, replacing the former British Council of Churches and taking over its role as the main overall body for the Christian churches in Britain. The Council co-ordinates the work of its 30 member churches who are also grouped in separate ecumenical bodies for England, Scotland, Wales, and Ireland.

The Free Church Federal Council includes most of the Free Churches of England and Wales. It promotes co-operation among the Free Churches and is a channel for communication with government. Inter-church discussions about the search for unity now take place through international as well as national bodies. The Roman Catholic, Orthodox and Lutheran Churches are represented on some of these, as are the Anglican and some of the Free Churches.

The Anglican Church, the Church of Scotland and the main Free Churches are also members of the World Council of Churches. This organisation links some 300 churches in over 100 countries around the world.

11 National Economy

From 1981 to 1989 the British economy experienced eight years of sustained growth at an annual average rate of over 3 per cent. In 1990, with the onset of recession in Britain and other major industrialised nations, growth slowed to around 1 per cent, and in 1991 output fell by nearly 2.5 per cent. The annual rate of retail price inflation in September 1992 was 3.6 per cent. By the end of 1991 average underlying earnings growth was lower than at any time since 1967. There has been a rise in unemployment since early 1990. With lower inflation and interest rates and an increase in exports as the world economy recovers, the Government expects to see a resumption of economic growth, although the timing is uncertain.

Around two-fifths of United States and Japanese direct investment in the European Community (EC) comes to Britain.

Britain's share of world trade in manufactures is estimated to have risen between 1989 and 1991 after stabilising in the 1980s. The current account of the balance of payments has been in deficit since 1987, following seven successive years of surplus.

With the exploitation of oil and natural gas from the Continental Shelf under the North Sea, Britain is self-sufficient in energy in net terms and expects to remain so for some years.

ECONOMIC BACKGROUND

The economy is primarily based on private enterprise, and government policy is aimed at encouraging and expanding the private sector, which accounts for about three-quarters of total output in the whole economy and over two-thirds of total employment.

Values for some of the main economic indicators in selected years since 1981 are shown in Table 11.1.

Inflation

During the 1950s and the first half of the 1960s the inflation rate in Britain rarely rose above 5 per cent. However, in 1971 the underlying rate reached double figures, climbing to 27 per cent in 1975.

Contributory factors included oil price rises in 1973, and increases in the money supply and public spending. Inflation fell in the

Table 11.1: Economic Indicators

	1981	1986	1991
Gross domestic product (average estimate) ^a	319,193	372,042	408,565
Exports ^a	88,064	107,052	123,386
Imports ^a	78,522	105,662	134,428
Consumers' expenditure ^a	196,011	232,996	269,033
Gross domestic fixed capital formation ^a	48,298	61,813	72,462
Percentage increase in retail prices index	n.a.	3.4	5.9
Workforce in employment (000s)	n.a.	24,559	26,014
Percentage of workforce unemployed	n.a.	11.1	8.1

Sources: *United Kingdom National Accounts 1992 Edition*; *Economic Trends*; *Employment Gazette*.

^a£ million at 1985 market prices.

n.a. = not available.

early 1980s and stayed low for a number of years. However, it picked up towards the end of the decade and the annual rate rose to 10.9 per cent in September and October 1990. It then fell again, to 3.6 per cent in September 1992. In the year to June 1992 earnings grew at an underlying rate of some 6 per cent—down from about 10 per cent in the year to mid-1990 and the lowest level for 25 years.

Output

After the oil price rises of 1973–74, manufacturing output dropped sharply. It later increased from this trough but, in the wake of another oil price rise and stagnation in the world economy, it fell back again in the late 1970s and early 1980s. This was followed by a period of steady growth until 1990, since when there has been a decline. However, it rose again slightly in the first half of 1992.

Largely as a result of exploitation of North Sea oil and gas, energy output in 1986

was about twice the level of ten years earlier. Oil output has now passed its peak of the mid-1980s and has since fallen back by about 28 per cent.

By 1985 output of the production industries as a whole (manufacturing, energy and water) had risen above its earlier peak of 1979. It experienced sustained growth between 1983 and 1989, but declined in 1990 and 1991.

Only 1 per cent of Britain's workforce is engaged in agriculture, a lower proportion than in any other major industrialised country. However, Britain manages to produce over half of its own food.

Recent decades have generally seen the fastest growth in the services sector. Services account for over two-thirds of gross domestic product—GDP—(and of employment), compared with about half of GDP in 1950. Manufacturing contributes less than a quarter of GDP, compared with over a third in 1950.

Table 11.2: Gross Domestic Product by Industry^a

	1981		1991	
	£ million	per cent	£ million	per cent
Agriculture, forestry and fishing	4,839	2.2	8,772	1.8
Energy and water supply	23,521	10.8	28,273	5.7
Manufacturing	54,826	25.1	104,283	21.0
Construction	13,027	6.0	33,686	6.8
Distribution, hotels and catering; repairs	27,469	12.6	73,024	14.7
Transport and communications	16,182	7.4	34,755	7.0
Banking, finance, insurance, business services and leasing	25,013	11.4	88,179	17.7
Ownership of dwellings	13,895	6.4	34,839	7.0
Public administration, defence and social security	16,287	7.4	34,786	7.0
Education and health services	20,618	9.4	49,643	10.0
Other services	12,039	5.5	33,915	6.8
Total	227,716	104.1	524,155	105.5
Adjustment for financial services	-9,705	-4.4	-27,171	-5.5
Statistical discrepancy	744	0.3	17	-
Gross domestic product at factor cost (income-based)	218,755	100.0	497,001	100.0

Source: *United Kingdom National Accounts 1992 Edition*.

^aBefore provision for depreciation but after deducting stock appreciation.

Note: Differences between totals and the sums of their component parts are due to rounding.

Table 11.3: Output and Employment (Indices: 1985 = 100)

	Output		Employment ^a	
	Index 1990	Index 1991	Index 1990	Index 1991
Agriculture, forestry and fishing	106.3	109.1	86.6	84.7
Production industries	109.3	106.1	94.1	88.5
<i>of which:</i> Energy and water supply	88.9	92.4	75.8	74.1
Manufacturing	118.4	112.2	96.1	90.0
Construction	134.3	122.6	105.0	94.5
Services	119.1	117.1	113.1	111.7
GDP (output-based)	116.6	113.8		
Employees in employment in all industries and services			106.9	103.9

Sources: *United Kingdom National Accounts 1992 Edition* and *Employment Gazette*.

^aEmployment figures relate to Great Britain and cover employees in employment at June..

Table 11.2 shows GDP by industrial sector in 1981 and 1991. Table 11.3 compares output and employment in 1990 and 1991.

Investment

From 1983 until 1989 fixed investment increased by about 7 per cent a year on average, with particularly rapid growth of nearly 9 per cent a year occurring between 1986 and 1989. This was followed by a decline in 1990 and 1991. Over the decade 1980–90 the private sector's share of fixed investment grew from 72 to 84 per cent, due in part to privatisation. Over the same period there was a rise in the share of investment undertaken by the services sector and a fall in that carried out by manufacturing. An

improvement in the quality of investment contributed to the rise in the late 1980s in the net real rate of return on capital employed in non-North Sea industrial and commercial companies. However, in 1990 there was a fall which continued in 1991, when net profitability amounted to 6 per cent.

Table 11.4 shows investment by industrial sector.

Employment and Productivity

Britain's workforce in employment increased by 3.3 million in the seven years to June 1990, reaching 26.9 million. It has subsequently declined and in June 1992 amounted to 25.4 million. From 1979 to 1990 self-employment rose every year, but between

Table 11.4: Gross Domestic Fixed Capital Formation (Investment) by Sector 1991

	£ million at market prices	£ million at 1985 prices	Index at 1985 prices (1985 = 100)
Agriculture, forestry and fishing	1,199	924	78.2
Oil and gas extraction	5,116	4,027	142.9
Other energy and water supply	6,799	5,244	132.0
Manufacturing	12,678	10,347	102.3
Construction and services	48,842	38,652	140.9
Dwellings	16,645	11,020	93.0
Transfer costs of land and buildings	4,163	2,248	75.6
Whole economy	95,442	72,462	120.1

Source: *United Kingdom National Accounts 1992 Edition*.

June 1991 and June 1992 it dropped by 153,000 to just under 3 million. The number of women seeking work has risen substantially.

As in other industrialised countries, there is concern about unemployment. Even when the workforce was expanding, unemployment did not decline as quickly as employment rose. Seasonally adjusted unemployment fell by 1.5 million between July 1986 and April 1990, when the level was 1.6 million, but it climbed to 2.7 million by June 1992—equal to 9.6 per cent of the workforce.

With a predicted fall in the number of young people, the population of working age will grow more slowly during the 1990s than in recent years. The population increase in Great Britain between 1988 and 2001 is projected at 0.7 million, compared with a rise of 2.4 million in the previous 13 years. Accordingly, there will be a need for increased flexibility among those in work and for employers to tap new sources of recruitment. The Government has put in place a new training framework, with a greater role for employers, so that training better reflects local needs.

Growth in manufacturing productivity in Britain in the 1980s was faster than in all other leading industrialised countries. Between 1980 and 1990 manufacturing productivity in Britain grew by an average of 4.7 per cent a year. Productivity in the economy as a whole increased only slowly in 1990 and 1991.

Overseas Trade

Britain has a relatively open economy, in which international trade is a vital part of economic performance. In 1991 exports of goods and services accounted for about a quarter of GDP; this proportion has increased in recent decades, from around one-fifth in the early 1960s. Similar rises have occurred in most other developed countries, reflecting the growing importance of international trade in an increasingly interdependent world economy.

Britain is a major exporter of aerospace products, electrical equipment, chemicals, oil and many types of machinery. It is also one

of the world's largest importers of agricultural products, raw materials and semi-manufactures. Exports of manufactures have risen faster than imports in each of the last three years. At present, Britain has a deficit on visible trade.

Substantial net earnings on invisible transactions kept the current account in surplus in most years up to 1986, but it has been in deficit since then. The contribution made by invisibles to the current account partly reflects Britain's position as a major financial centre. The surplus on invisibles has fallen since the mid-1980s but rose in 1991 due to Gulf war receipts and lower net contributions to the EC. Britain's invisibles account has been affected by the abolition of exchange controls in 1979 and the growth in world markets for insurance, banking, tourism, consultancy and other services. In 1991 exports of services were valued at around one-third of exports of goods.

Membership of the EC has had a major impact on Britain's pattern of trade, increasing the proportion with other member countries. Between 1972 and 1991 the share of Britain's exports of goods going to other members of the Community rose from 33 to 57 per cent. Imports followed a similar trend, growing from 34 to 52 per cent. Trade with Japan and with the newly industrialised countries, including Singapore, Korea, Taiwan and Malaysia, has risen significantly.

The substantial cumulative surplus on current account in the first half of the 1980s contributed to a corresponding increase in Britain's net external assets. These are estimated to have risen from £18,000 million at the end of 1980 to £99,000 million at the end of 1986. They have since fallen, to £65,000 million at the end of 1989 and to near zero at the end of 1990, as a result of falls in securities prices and exchange rate changes during 1990. There was a recovery by the end of 1991, when they reached £16,000 million. At the end of 1991 the book value of British direct investment holdings overseas was £130,000 million, reflecting the growth of British-owned multinational companies. The estimated value of British portfolio investment holdings overseas was £239,000 million.

Inward Investment

Direct and portfolio investment in Britain from overseas has also grown as overseas companies have become established in Britain, especially in recent years in preparation for the onset of the single European market by the end of 1992. Britain is recognised as an attractive location for inward direct investment. This reflects its membership of the EC and proximity to other European markets, its stable labour relations and comparatively low personal and corporate taxation. Overseas-owned firms are offered the same incentives as British-owned ones.

At the end of 1990 total United States investment in Britain was valued at US\$66,000 million, representing over two-fifths of US investment in the EC. Britain has for many years been the leading destination for US manufacturing investment in Europe. It also has about two-fifths of Japanese direct investment in the EC.

Energy

The development of North Sea oil and gas production has had a significant effect on the economy; in 1991 Britain was the world's ninth largest oil producer and the extraction of oil and gas accounted for some 1.5 per cent of GDP. The benefits to the balance of payments began to appear in the second half of the 1970s and in 1980 Britain had its first surplus on oil trade. In 1974 oil accounted for some 4 per cent of Britain's visible exports and 19 per cent of visible imports. In 1991 the proportions were 7 and 5 per cent respectively (the export proportion having been as high as 21 per cent in the mid-1980s). The oil surplus reached its peak in 1985, at £8,100 million. With the reduction in oil prices the surplus has fallen and amounted to some £1,200 million in 1991. Exports, mainly to other EC countries, are equivalent to well over half of domestic oil production. They are partly offset in balance-of-payments terms by imports of other grades of crude oil from the Middle East and elsewhere.

North Sea oil helped to alleviate the fall in real national income which Britain, along with

other industrialised countries, suffered following the oil price rises of the 1970s. In the early 1980s it helped to ease the task of controlling public sector borrowing, one component of the Government's counter-inflation strategy.

ECONOMIC STRATEGY

The Government believes that the only firm basis for lasting economic growth and secure employment is sustainable low inflation. For the next few years it has set itself the objective of keeping underlying inflation—the change in retail prices excluding mortgage interest payments—between 1 and 4 per cent.

The Government's economic policy is set in the context of a medium-term financial strategy, which is reviewed each year. Within this strategy, firm monetary and fiscal policies are designed to defeat inflation. Short-term interest rates remain the essential instrument of monetary policy. Fiscal policy is set over a medium-term horizon to support tight monetary policies.

Macroeconomic policy is directed towards bringing down and keeping down the rate of inflation, while microeconomic policies seek to improve the working of markets and encourage enterprise, efficiency and flexibility. Microeconomic policies aim to improve the supply-side performance of the economy through measures such as deregulation and tax reforms (see below).

Monetary policy

The central aim of monetary policy, which the Government sees as lying at the heart of macroeconomic policy, is the creation of conditions that will exert steady downward pressure on the rate of inflation. The main instrument of monetary policy is the use of market operations to raise or lower interest rates as appropriate to monetary conditions.

Following Britain's suspension in September 1992 of its membership of the exchange rate mechanism (ERM) of the European Monetary System, the Government reaffirmed that holding down inflation remained the cornerstone of its economic policy.

Britain intends to resume membership of the ERM once:

- the turbulence in the foreign exchange markets is ended;
- further analysis has been undertaken of developments in capital markets and in the European and world monetary system; and
- British and German monetary policies have been brought more into line and the wide differential in German and United States interest rates narrowed.

In assessing the overall stance of monetary conditions, the Government pays attention to a range of indicators. Narrow money, as measured by M0,¹ has proved a reliable indicator. A target range of 0 to 4 per cent has been set for M0 growth in 1992–93.

Fiscal Policy

The role of a tight monetary policy in reducing inflation is supported by a firm fiscal policy. In order to enable industry to take advantage of the opportunities presented by the lower exchange rate which followed Britain's withdrawal from the ERM, the Government considers it essential to maintain tight control over public spending and borrowing. This will help ensure that the public sector matches private industry's efforts to contain wage costs and maintain improved competitiveness.

Fiscal policy is set according to the medium-term objective of a balanced budget. This is consistent with cyclical variations in government spending and revenues—'automatic stabilisers'. The public sector therefore tends to run a surplus when the level of economic activity is high and a deficit when it is low. For 1992–93 the Government has decided on an increased level of borrowing, confident that the underlying position is sound and that the budget will move back towards balance as the economy recovers. The Government does not attempt to 'fine-tune' the level of demand through

changes in fiscal policy; it believes that the associated time lags generally mean that such changes will be destabilising. Frequent changes in taxation or spending policy may also produce an adverse supply-side response.

Within the overall policy of a balanced budget over the medium term, the Government aims to reduce taxes so as to leave people with more of their own money. The basic rate of income tax has been cut from 33 to 25 per cent, and in the 1992 Budget the Government introduced a new lower rate of income tax of 20 per cent on the first £2,000 of taxable income. The Government's objective for public spending is that over time it will take a declining share of national income, while value for money is constantly improved. This has seen the ratio of general government expenditure, excluding privatisation proceeds, to GDP fall from 47.5 per cent in 1982–83 to 42 per cent in 1991–92. The forecast level of the Public Sector Borrowing Requirement, £28,000 million or 4.5 per cent of GDP for the year to March 1993, can be largely attributed to the impact of the recession.

Supply-Side Policies

While macroeconomic policy is directed towards reducing inflation, the Government has sought to improve the supply response, and thus the efficiency, of the economy through microeconomic policies. Action has been taken to expose more of the economy to market forces. Direct controls—for example, on pay, prices, foreign exchange, dividend payments and commercial credit—have been abolished and competition in domestic markets strengthened. Steps have been taken to reduce regulatory burdens on business. Labour market reforms have been introduced, measures implemented to encourage saving and share ownership, and a substantial amount of activity has been transferred from the public to the private sector by privatisation and contracting work out. In addition, efforts have been made to improve value for money in the public sector by, for example, transferring many of the executive functions of government to new executive agencies.

¹ M0 is notes and cash in circulation with the public and banks' holdings of cash and their operational balances at the Bank of England.

Labour

The Government has sought to improve work incentives by reducing personal income tax rates, raising tax thresholds and reforming the benefits system. It has also, through the tax system, encouraged the extension of share ownership among employees. A scheme of income tax relief has been introduced to encourage the spread of profit-related pay. The Government has taken steps to achieve a better-balanced legal framework for industrial relations and has expanded training opportunities. Obstacles to the mobility of labour have been reduced. For example, the rights of those leaving occupational pension schemes early have been improved and new arrangements for personal pensions introduced; both of these changes will reduce the pension disadvantage of changing jobs. Reforms in the housing market have been introduced to make it easier for people to move house. Policies have been set in train to reduce the number of administrative obstacles facing small firms and the self-employed.

Markets and Investment

Competition among financial institutions is being encouraged within a new statutory framework of investor protection. The Government has also taken steps to reduce the distorting effects of the tax system on investment and savings decisions by, among other things, reforming corporation tax (the burden of which has been eased) and the system of capital allowances. Planning restrictions on industrial investment have been lessened.

Government support to industry has become more selective. Where there is evidence of market failure, particular efforts have been made to improve the flow of investment funds to small firms, assist innovation in industry and attract industry to the inner cities.

Economic Management

HM Treasury has prime responsibility for the formulation and conduct of economic

policy, which it carries out in conjunction with the Bank of England (the central bank) and the Departments of Trade and Industry, Employment, the Environment, Transport, and the Ministry of Agriculture, Fisheries and Food.

A number of other bodies deal with specific aspects of economic policy and the regulation of certain sectors of the economy. These include bodies such as the Office of Fair Trading and the Monopolies and Mergers Commission.

On major matters of public policy such as the broad economic strategy, and on the economic problems it faces, the Government makes known its policies and keeps in touch with developments throughout the economy by means of informal and continuous links with the chief industrial, financial and other interests. Final responsibility for the broad lines of economic policy rests with the Cabinet.

NATIONAL INCOME AND EXPENDITURE

The value of all goods and services produced in the economy is measured by GDP. This may be expressed either in terms of market prices (the prices people pay for the goods and services they buy) or at factor cost (the cost of the goods and services before adding taxes and subtracting subsidies). It can also be expressed in current prices or in constant prices (that is, removing the effects of inflation in order to measure the underlying growth in the economy). In 1991 GDP at current factor cost totalled £497,000 million. In 1991 the index of GDP at constant factor cost was 113.8 (1985 = 100), compared with 89.3 in 1981, an increase of some 27 per cent.

Table 11.5 gives figures for GDP, at both current market prices and current factor cost. It also shows the components of two other main aggregates, gross national product and national income.

Table 11.6 shows the categories of total final expenditure in 1991. Consumers' expenditure accounted for one-half of total final expenditure, and exports of goods and services for nearly one-fifth.

Table 11.5: Gross Domestic Product, Gross National Product and National Income

	£ million 1981	£ million 1991
Total final expenditure	316,754	715,006
<i>less</i> imports of goods and services	-60,388	-140,415
GDP at market prices ^a	254,851	574,146
<i>plus</i> net property income from abroad	1,251	328
Gross national product at market prices ^a	256,102	574,474
<i>less</i> factor cost adjustment (taxes less subsidies)	-36,096	-77,145
GDP at factor cost ^a	220,006	497,329
Net property income from abroad	1,251	328
Gross national product at factor cost ^a	218,755	497,001
<i>less</i> capital consumption	-31,641	-63,968
National income (net national product at factor cost) ^a	188,365	433,361

Source: *United Kingdom National Accounts 1992 Edition*.

^aAverage estimate.

Note: Differences between totals and the sums of their component parts are due to rounding.

Personal Incomes and Expenditure

Personal disposable income consists of personal incomes after deductions—mainly taxation and social security contributions. This rose fairly steadily from £177,700 million in 1981 to £407,600 million in 1991. Personal disposable income in 1991 was 0.2 per cent lower in real terms than in 1990. Consumers' expenditure amounted to 70.9 per cent of pre-tax personal income in 1991, compared with 71.6 per cent in 1990.

Table 11.7 shows the changing pattern of consumers' expenditure. Housing, food, alcoholic drink, clothing and footwear, and fuel and power together accounted for 42 per cent of the total. The changes in the pattern between 1981 and 1991 in Britain were

paralleled in other industrialised countries, with declining proportions being spent on food, tobacco, clothing and footwear, and fuel and power. Over the longer term, as incomes rise, people tend to spend increasing proportions on services. Spending on leisure pursuits and tourism, health and financial services have all shown significant growth in recent years. Consumers' expenditure fell by 2 per cent in real terms between 1990 and 1991, following a long upward trend.

Saving as a percentage of personal disposable income rose to 13.3 per cent in 1980; by 1988 it had fallen back to 5.6 per cent. This reduction probably reflected a number of factors, including lower inflation, higher property prices and the deregulation of the personal finance market, which made

Table 11.6: Total Final Expenditure in 1991 at Market Prices

	£ million	per cent
Consumers' expenditure	367,853	51.4
General government final consumption	121,899	17.0
Gross domestic fixed capital formation	95,442	13.3
Value of physical increase in stocks and work in progress	-5,303	-0.7
Total domestic expenditure	579,891	81.1
Exports of goods and services	135,115	18.9
Total final expenditure	715,006	100.0

Source: *United Kingdom National Accounts 1992 Edition*.

Note: Differences between totals and the sums of their component parts are due to rounding.

Table 11.7: Consumers' Expenditure in 1981 and 1991 at Market Prices

	1981	1991	
	per cent	per cent	£ million
Food (household expenditure)	16.1	12.0	44,053
Alcoholic drink	7.2	6.4	23,555
Tobacco	3.5	2.6	9,746
Clothing and footwear	6.5	5.7	21,034
Housing	14.6	14.0	51,614
Fuel and power	5.0	3.9	14,272
Household goods and services	6.8	6.2	22,796
Transport and communications	16.9	17.0	62,579
Recreation, entertainment and education	9.2	9.5	34,915
Other goods and services	12.5	19.3	71,002
Other items ^a	1.9	3.3	12,287
Total	100.0	100.0	367,853

Source: *United Kingdom National Accounts 1992 Edition*.

^aHousehold expenditure overseas plus final expenditure by private non-profit-making bodies, minus expenditure by foreign tourists in Britain.

Note: Differences between totals and the sums of their component parts are due to rounding.

borrowing easier. However, the savings ratio increased in 1989, 1990 and 1991, reaching 9.8 per cent in the latter year.

Sources of Income

The proportion of total personal pre-tax income accounted for by income from employment was 64 per cent in 1991; average gross weekly earnings in April 1991 in Great Britain were £319 for full-time male workers and £222 for full-time female workers. The three other main sources of personal income were self-employment (11 per cent), rent, dividends and interest (11 per cent), and social security benefits and other current grants from government (14 per cent).

Current Government Expenditure

Final consumption by central government and local authorities amounted to £121,900 million in 1991; it rose by 15 per cent in real terms over the period 1981 to 1991. The main cause of this was the growth over the period in spending on the social services, health, and law and order.

In addition to their expenditure on goods and services, public authorities transfer large sums to other sectors, mainly the personal sector, by way of National Insurance and other social security benefits, grants, and interest and subsidies. Central government also makes grants to local authorities to finance an increasing proportion of their current expenditure (about three-quarters in 1991).

12 Industry and Commerce

Introduction

The most important industrial developments in the last 15 years have been the growth of the offshore oil and gas industries and the rapid development of electronic and microelectronic technologies and their wide application in industry and commerce. There has been a steady increase in the share of output and employment accounted for by private sector enterprises as privatisation has progressed. The proportion of jobs in the service industries continues to rise.

In some sectors a small number of large companies and their subsidiaries are responsible for a substantial proportion of total production, notably in the vehicle, aerospace and transport equipment industries. Private enterprises generate about three-quarters of total domestic income. They account for the greater part of activity in the agricultural, manufacturing, construction, distributive, financial and miscellaneous service sectors. The private sector contributed 76 per cent of total domestic final expenditure in 1991, general government 23 per cent and public corporations 1 per cent.

About 250 British industrial companies in the latest reporting period each had an annual turnover of more than £500 million. The annual turnover of the biggest, British Petroleum (BP), makes it the eleventh largest industrial grouping in the world and the second largest in Europe. Five British firms are among the top 25 European Community (EC) companies.

Industrial Financing

Over half of companies' funds for investment and other purposes are internally generated. Banks are the chief external source of finance, but companies have increasingly turned to equity finance. The main forms of short-term finance available in the private sector are bank overdrafts, trade credit and factoring (making cash available to a company in exchange for debts owing to it).

Types of medium- and long-term finance include bank loans, mortgaging of property and the issue of shares and other securities to the public through the London Stock Exchange. The leasing of equipment may also be regarded as a form of finance. Other

Table 12.1: Gross Domestic Product^a by Industry in 1991

Standard Industrial Classification Revised 1985	£ million	% of total	% Employment ^b
0 Agriculture, forestry and fishing	8,772	1.8	1.3
1 Energy and water supply	28,273	5.7	2.0
2-4 Manufacturing	104,283	21.0	21.8
5 Construction	33,686	6.8	4.3
6-9 Services	349,141	70.2	70.6
Adjustment for financial services statistical discrepancy	-27,171	-5.5	-
GDP at factor cost (income-based)	497,001	100.0	100.0

Sources: *United Kingdom National Accounts 1992 Edition* and *Employment Gazette*.

^aBefore depreciation but after providing for stock appreciation.

^bStatistics for employment are for June 1991 and relate to Great Britain.

sources of finance for industry include the Government, the European Community and specialist financial institutions.

Equity finance, known as venture capital, is a major source of funding for the start-up, expansion or purchase of a company. Finance is provided by major institutions and managed by 'captive' managers (from wholly owned subsidiaries of large financial institutions) or independent fund managers. Since 1985, members of the British Venture Capital Association have invested over £7,000 million and currently command an investment pool of some £2,000 million.

There has also been a rise in the number of 'buy-outs', in which the staff or management of a company raise the finance to purchase it, and 'buy-ins', whereby the staff or management of one firm purchase another. Since 1982 there have been over 4,000 buy-outs and buy-ins, with a total value of £26,061 million. The amount invested in management buy-outs and buy-ins in 1991 was £2,809 million.

Taxation

Rates of corporate taxation have been progressively reduced. In the case of business plant and machinery, an annual allowance is available against profits for tax purposes of 25 per cent (on a reducing balance basis), beginning in the year in which expenditure occurs. For investment in industrial building, there is an allowance of 4 per cent a year. Special arrangements exist for short-life, often high-technology, assets. There are 100 per cent allowances for capital expenditure on scientific research, and, in designated enterprise zones, for expenditure on construction.

Industrial Associations

The Confederation of British Industry (CBI) represents about 250,000 companies from all sectors, together employing around half of Britain's workforce. It exists to create a climate of opinion in which business can operate efficiently and profitably. It campaigns to lessen the burdens on business, tackle handicaps on competition, and help

improve the performance of companies. The largest employers' organisation in the country, it offers members a forum, a lobby and a range of advisory services. The CBI also conducts surveys which provide a useful barometer of activity in manufacturing, distribution, financial services, the regions, innovation, and pay and productivity.

The British Chambers of Commerce (BCC) represent business views and interests to the Government at national and local levels. They promote local economic development, for example, through regeneration projects, tourism, inward investment promotion in certain areas of Britain and business services, including overseas trade missions, exhibitions and training conferences. The BCC represents over 90,000 businesses in over 100 chambers of commerce throughout Britain.

Trade associations consist of companies producing or selling a particular product or group of products. They exist to supply common services, regulate trading practices and represent their members to government departments.

Employers' organisations are usually concerned with the negotiation of wages and conditions of work in a particular industry, although sometimes one institution may combine this function with that of a trade association.

Government and Industry

The Government believes that economic decisions are best taken by those competing in the market place, and that government should encourage enterprise and create the right climate for markets to work better.

The Department of Trade and Industry (DTI) is the department mainly responsible for the Government's relations with industry and commerce. Specific responsibilities include technology and innovation, overseas trade and export promotion, competition policy and consumer affairs, regional industrial development, small firms, company legislation and patents. Through the Invest in Britain Bureau, it gives advice and assistance to foreign companies on locating in Britain. The Scottish, Welsh and

Northern Ireland Offices are responsible for industrial policies in their areas.

In July 1992, the Government announced its intention to reorganise the DTI so that it relates more closely to individual sectors of business. In 1991 the DTI specified its objectives for industrial policy as:

- working for trade liberalisation worldwide and the completion of the single European market (see p 226);
- promoting British exports;
- stimulating innovation in industry;
- improving the flow of information to business;
- encouraging competition;
- aiming for a light but effective framework of market regulation;
- fostering a positive attitude towards wealth creation;
- reducing burdens on business;
- taking into account the concerns of business and consumers in the development of government policies; and
- responding to regional needs.

Privatisation

The Government believes that the best way to improve the performance of public sector companies and nationalised industries is to expose them to market forces, through privatisation and the promotion of competition. Privatisation has also provided an opportunity for the Government to widen and deepen share ownership by encouraging both employees and the general public to take a direct stake in industry. In major flotations, employees in privatised companies are normally given a preferential right to buy shares in the new privatised companies.

Since 1979 the Government has privatised 46 major businesses, with forecast net proceeds to the end of 1992-93 of some £50,000 million.

Recent privatisations include British Technology Group and the electricity generating industry in Northern Ireland. The sale of part of the Government's residual

shareholding in BT took place at the end of 1991. Legislation is to be introduced for the privatisation of British Coal and to enable the private sector to operate rail services.

Nationalised Industries

The remaining major nationalised industries are British Coal, British Rail, the Post Office and London Transport. Their managing boards are appointed by ministers who have the power to give general directions but are not involved in day-to-day management. The managing boards and staffs of the nationalised industries are not civil servants.

The Government considers that nationalised industries should act as commercial enterprises and has set policies with which they are expected to conform. These involve:

- clear government objectives for the industries;
- regular corporate plans and performance reviews;
- agreed principles relating to investment appraisal and pricing;
- financial targets and performance aims;
- external financing limits; and
- systematic monitoring.

The industries are expected to achieve a required rate of return on new investment, currently 8 per cent in real terms before tax. The financial targets established by the Government are usually supported by a series of performance aims, covering costs and, where appropriate, standards of service. External financing limits, which control the amount of finance (grants and borrowing) that a nationalised industry can raise in any financial year, are an important operating control. They are set in the light of the industry's financial targets and its expected performance and investment requirements.

The Citizen's Charter, introduced in 1991, is intended to raise quality, secure better value and extend accountability in public services, including nationalised industries. External scrutiny of nationalised industry efficiency is conducted by the Monopolies

and Mergers Commission (see p 231). Where appropriate, investigations may also be undertaken by management consultants.

House of Commons Select Committees, such as the Treasury and Civil Service Committee and the Committee of Public Accounts, also scrutinise the industries' performance.

Deregulation

The Government is attempting to reduce administrative and legislative burdens imposed on business, particularly small businesses, where the burden of compliance is most demanding.

Under the Deregulation Initiative, the Government works to reduce burdens on business by:

- achieving better regulation, cutting unnecessary regulation and minimising the cost of compliance with essential regulation;
- ensuring that the views of business, and potential costs of compliance, are taken into account in framing new regulations and in negotiating EC proposals;
- improving official awareness of the needs of business through training and better consultation and communication; and

- improving the quality of service to business generally, whether provided by central or local government.

Existing regulation, such as that affecting the workplace, wages and employment conditions, is kept under constant review by the DTI's Deregulation Unit. In addition, each regulatory department has its own deregulation unit, focusing on regulatory and administrative requirements in the areas for which it is responsible.

Enterprise Initiative

The Enterprise Initiative brings together a wide range of the services that the DTI provides for industry and commerce. The consultancy scheme encourages small and medium-sized businesses to use outside consultancy services as a regular part of their management strategy. It offers consultancy support in design, marketing, manufacturing and service systems, quality, business planning, and financial and management information systems.

In Scotland and Wales the initiative is operated by Enterprise Services Scotland (a subsidiary of Scottish Enterprise—see p 227) and the Welsh Development Agency

Table 12.2: Major Government Sales

	Year of sale	Net equity proceeds (£ million)
BAA	1987	1,182
British Aerospace	1981-85	390
British Airways	19878	53
British Gas	1986-90	5,293
British Petroleum	1979-87	6,084
British Steel	1988	2,425
British Telecom	1984-91	8,900*†
Britoil	1982-85	9,620
Cable and Wireless	1981-85	1,021
Rolls-Royce	1987	1,031
Water companies (England and Wales)	1989	3,454
Regional electricity companies (England and Wales)	1990	7,100*
Electricity generating companies (England and Wales)	1991	
Scottish electricity companies	1991	

Source: HM Treasury.

*Includes value of future instalment payments.

†Takes account of estimated costs of the 1991 secondary sale.

(see p 229). Assistance is available to most manufacturing and service businesses with fewer than 500 employees. In the Assisted Areas (see p 227) and Urban Programme Areas, two-thirds of the costs of a project are met; elsewhere the rate is 50 per cent. Some £60 million is being provided in 1992–93 to support the consultancy scheme.

Small Firms

Small businesses make a major contribution to the economy by employing 35 per cent of the private sector workforce and producing 17 per cent of British turnover. Some 460,000 new businesses were started in 1991, slightly less than the 500,000 in 1989 and 1990, but higher than the average for the 1980s. Industries with the fastest growth rates between 1979 and 1990 were in the services sector, particularly finance, property and professional services.

The Government runs schemes giving either direct assistance or advice and guidance on a range of business problems affecting small firms. In addition to DTI schemes such as consultancy help under the Enterprise Initiative, the Government's Small Firms Service, operating throughout Britain, provides information, advice, counselling and training services to prospective and established small businesses.

The Support for Products Under Research scheme (SPUR—see p 386) helps smaller firms to be more innovative by awarding grants towards the cost of new product and process development projects. The Small Firms Merit Awards for Research and Technology (SMART—see p 386) are made annually to highly innovative and potentially commercial projects being developed by individuals and firms with fewer than 50 employees. A three-year extension to SMART will receive around £40 million of government funding.

Other government help to small firms includes:

- guaranteed repayment of 70 per cent of medium-term loans made by financial institutions (rising to 85 per cent of loans in inner city Task Force areas);
- a programme to encourage the growth of informal investment for small firms from a wider range of sources. The Government is to support co-operation between Training and Enterprise Councils (TECs—see p 168) and other organisations to bring together investors and small firms; and
- the Enterprise Allowance Scheme, enabling unemployed people to claim an allowance while establishing a new business.

Government Management Initiatives

The DTI is working with other government departments and with industry to improve management education, and to spread awareness about best management practices. As part of the Enterprise Initiative (see p 225), the DTI's consultancy scheme encourages small and medium-sized businesses to improve management skills and competitiveness by making effective use of outside expertise in business planning, design, quality, financial and management information systems, manufacturing and services systems, and marketing.

Another programme, 'Managing into the 90s', offers advice to managers in small and medium-sized businesses on design, quality, production and purchasing, and materials management. Having been extended for a three-year period until 1995, the programme will focus on management practices in the manufacturing sector.

Single European Market

The programme for the completion of the single European market, which concerns the free movement of goods, services, people and capital, is derived from a White Paper published by the European Commission in 1985. It comprises over 280 different directives and other measures aimed at the removal of the remaining obstacles and distortions in trade between member states by the end of 1992. The Government believes that the single European market will benefit the economy of each member state, and that

the elimination of trade barriers should lead to a reduction in business costs as well as increasing competition, stimulating efficiency and encouraging the creation of jobs and wealth.

Regional Industrial Development

Regional industrial policy is designed to encourage enterprise and economic growth in all areas of Britain. In some areas, however, where additional help is needed, it is provided under the DTI's Enterprise Initiative. Help is focused on the Assisted Areas (Development Areas and Intermediate Areas), which cover around 35 per cent of Britain's working population (see map).

The principal instruments are:

- regional selective assistance, available throughout the Assisted Areas, for investment projects undertaken by firms meeting certain criteria; and
- Regional Enterprise Grants, which are available to support investment and innovation in small firms. Investment grants are available to firms with fewer than 25 employees in all Development and some Intermediate areas. Innovation grants are made to firms employing fewer than 50 employees in all Development, Intermediate, Task Force and City Challenge areas (see pp 175-6), as well as some other areas covered by EC schemes; they are also available in certain Scottish urban areas.

England

The English Industrial Estates Corporation makes available industrial and commercial premises in certain parts of the Assisted Areas in England where private sector provision is insufficient.

The Rural Development Commission is responsible for advising the Government on issues affecting rural England and for promoting its economic and social development. The Commission's resources are concentrated in areas of greatest need, known as Rural Development Areas. It provides:

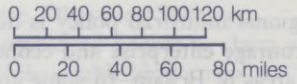
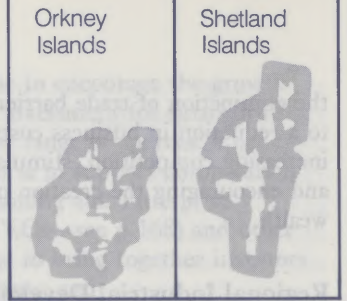
- small factories and workshops built and managed by English Estates;
- a grant scheme for the conversion of redundant buildings to industrial or commercial premises;
- technical, management and financial advice, as well as training facilities and loans to small businesses;
- support for local enterprise agencies, which in turn offer help to small firms;
- support for voluntary bodies in rural areas to encourage community activity and self-help; and
- finance for small-scale rural housing and transport schemes.

Scotland

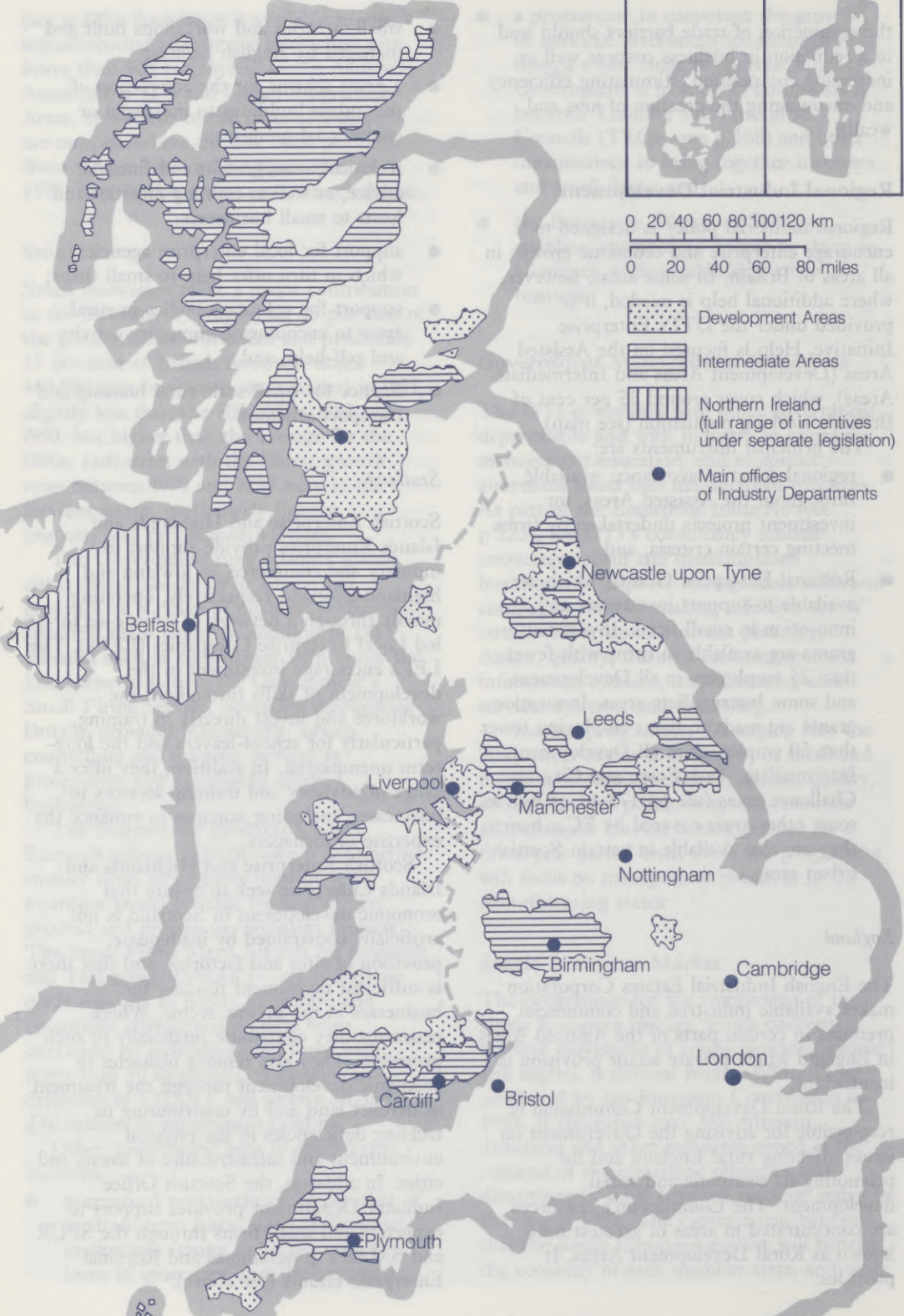
Scottish Enterprise and Highlands and Islands Enterprise provide support to industry and commerce, in lowland and highland Scotland respectively, operating mainly through a network of private-sector-led Local Enterprise Companies (LECs). The LECs encourage investment in the development of skills throughout the workforce and invest directly in training, particularly for school-leavers and the long-term unemployed. In addition, they offer a range of advisory and training services to businesses, including schemes to enhance the expertise of managers.

Scottish Enterprise and Highlands and Islands Enterprise seek to ensure that economic development in Scotland is not artificially constrained by inadequate provision of sites and factories, and that there is sufficient investment funding for businesses in the private sector. Where necessary they contribute financially to such provision. They also remove obstacles to economic development through the treatment of derelict land and by contributing to tackling deficiencies in the physical environment and infrastructure of towns and cities. In addition, the Scottish Office Industry Department provides support to exporters and small firms through the SPUR and SMART programmes and Regional Enterprise Grants (see above).

The Assisted Areas



-  Development Areas
-  Intermediate Areas
-  Northern Ireland (full range of incentives under separate legislation)
-  Main offices of Industry Departments



Isles of Scilly
(Development Area)

Wales

The Welsh Development Agency (WDA) promotes industrial efficiency and international competitiveness and aims to improve the environment in Wales. Through Welsh Development International, it seeks to attract high-quality investment into Wales and encourages those concerned within Wales to be receptive to such investments. The WDA provides a range of support services, particularly for small and medium-sized enterprises. The Business Services programme helps companies plan strategically for long-term competitiveness, growth, and improved profitability, and for meeting customer requirements, and understanding and implementing best practice. The programme also includes technology exploitation, skills development, financial advice and help, and a comprehensive European programme.

To ensure an adequate supply of commercial property throughout Wales, the WDA has its own industrial stock and conducts a direct building programme, while encouraging the private sector to provide the necessary industrial development, often in partnership with it. Development projects, such as a major programme of land reclamation and environmental improvement and an urban development programme, aim to regenerate selected towns by opening up development opportunities for private enterprise. The Rural Prosperity Programme includes comprehensive action plans to develop specific rural areas. There are also initiatives and schemes designed to stimulate new rural enterprise and business growth.

The Development Board for Rural Wales supplies factories, key worker housing and advice for small businesses. It has a general responsibility to promote the economic and social well-being of mid-Wales and a particular responsibility for the new town of Newtown, Powys.

The seven Training and Enterprise Councils in Wales offer a wide range of services to business and enterprise activities in their areas, including support for business start-up, training and other help for existing firms, and a business information and advice

service. Partnerships are being established with other organisations in Wales to help bring about economic regeneration and growth in their areas.

Northern Ireland

Industrial development policy in Northern Ireland is the responsibility of the Department of Economic Development and is delivered through various agencies, including:

- the Industrial Development Board, which deals with overseas companies considering Northern Ireland as an investment location, as well as the development of local companies with more than 50 employees;
- the Local Enterprise Development Unit, responsible for the promotion of enterprise and the development of small businesses;
- the Industrial Research and Technology Unit, providing advice and assistance on research and development, innovation and technology transfer; and
- the Training and Employment Agency, which helps with in-company training and management development.

Several schemes are available to help companies with marketing, exporting, product development and design, improved productivity and quality, training, and research and development. The full range of assistance is made available to those companies with the greatest development potential and prospect of long-term competitive growth. Where appropriate, this assistance includes capital grants, loans and share capital investment. The Industrial Development Board also offers stocks of land and industrial premises for purchase or lease. There is exemption from local taxes for manufacturing premises.

European Community Regional Policy and Aid

The European Community seeks to reduce disparities between regions. The principal responsibility for helping less prosperous areas remains with national authorities, but

the Community may complement schemes through aid from a number of sources.

The European Regional Development Fund, the largest of the European Community's structural funds, is intended to help redress the principal regional imbalances. Its budget for 1992–93 is £5,671 million, having been £4,686 million in 1991–92. Some 7 per cent of this has been allocated to Britain.

European Community member states subscribe to the capital of the European Investment Bank, which aims to:

- facilitate development in less developed regions;
- modernise or convert industries; and
- support the creation of new economic activities.

The Bank also helps to finance projects of common interest to several member states. The Channel Tunnel (see Chapter 17) is one such project currently being assisted in Britain.

The European Community makes loans and grants to encourage rational distribution of production and a high level of productivity in the coal and steel industries.

Schemes eligible for aid are coal industry projects, projects to create new activities in coal and steel areas, construction of housing for workers, allowances for redeployed workers, and research, including research of a social or medical nature.

Inward Investment

Britain is considered as an attractive location for inward direct investment. This reflects its membership of the European Community and proximity to other European markets, stable labour relations and comparatively low corporate and personal taxation. Overseas-owned firms are offered the same incentives by the Government as British-owned ones.

The Invest in Britain Bureau of the Department of Trade and Industry gives foreign companies advice and assistance on locating and relocating businesses in Britain, and on expanding existing facilities. It

operates overseas through British Embassies, High Commissions and Consulates-General, and within Britain through the DTI's network of regional offices in England, which provide local information about available sites, wages and skills, markets and housing.

The promotion of England as a location for inward investment projects is handled by the English unit of the DTI. Similar advice and assistance is available through Locate in Scotland, operated jointly by the Scottish Office Industry Department and Scottish Enterprise; Welsh Development International, the investment arm of the Welsh Development Agency; and the Industrial Development Board in Northern Ireland. The promotion of inward investment is a key element in the Government's regional policy (see p 227).

Innovation

Innovation—the successful exploitation of new ideas—is vital in maintaining an economy based on competitive wealth creation. Through its Innovation Unit, the DTI seeks to influence the thinking of business, education, the media and Government, as well as the general public, by:

- improving commercial exploitation of Britain's science and technology base;
- improving management of innovation in business by spreading best practice;
- improving communications between investors and business regarding innovation;
- increasing appreciation of the importance of innovation within education at all levels;
- informing the public of the importance of innovation in wealth creation; and
- ensuring consistency and co-operation in the delivery of innovation schemes and services provided by the DTI and other government departments.

These activities are carried out by various organisations. The DTI's function is to act as a catalyst for, and add value to, the work wherever it occurs. The Department spends over £100 million a year in support of

LEISURE



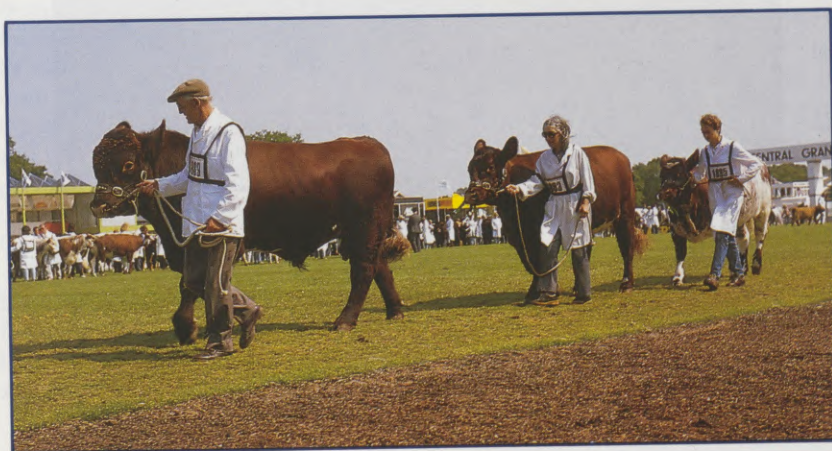
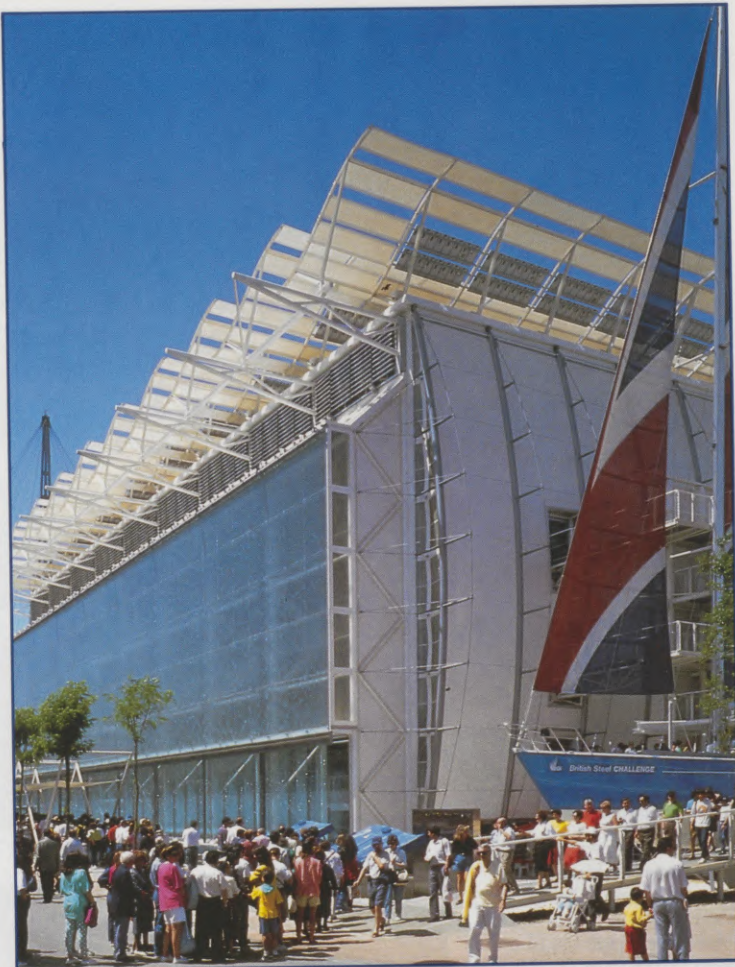
A growing awareness of the importance of regular exercise for good health has contributed to an increased level of participation in sport. More than 13,000 people took part in a sponsored 'Aerobathon' in April 1992, held to raise funds for a charity, the Royal Marsden Cancer Appeal.



Centre Parcs, a holiday centre in Sherwood Forest, Nottinghamshire, won the first ever award for 'Green Tourism' in the English Tourist Board's 1990 England for Excellence awards. It offers a wide range of sport and leisure facilities in a forest setting, including this covered Subtropical Swimming Paradise.

FESTIVALS AND EXHIBITIONS

The British Pavilion at Expo '92, the world fair held in Seville, Spain.



The annual Royal International Agricultural Exhibition, held at Stoneleigh in Warwickshire, is one of the world's largest farming shows. As well as livestock, it displays the latest innovations in farming machinery and equipment, and attracts visitors from all over the world.



As part of the European Festival of the Arts, Ariane Mnouchkine's innovative company Théâtre du Soleil presented *Les Atrides*, a reworking of several Greek tragedies, in Bradford.

The Glasgow Mayfest, held annually, features a wide range of arts and is the second largest festival in Britain.



CLOTHING AND TEXTILES



TBA Industrial Products of Rochdale, north-west England, specialises in the manufacture and supply of textiles for arduous environments, especially those involving high temperatures, troublesome chemicals and electricity.

Vivienne Westwood, winner of Britain's Designer of the Year Award for the past two years, poses with two models following the showing of her latest collection.



collaborative industrial research and technology transfer in firms of all sizes and across most industrial technologies, which often involves firms, higher education institutions and research organisations working together.

The Teaching Company Scheme, under which graduates undertake key projects in smaller firms under the joint direction of academic and company staff, is one example of technology transfer. Over 1,000 projects have been successfully completed. A new programme will support the placement of more senior academic staff into firms for six-month periods, where they will work directly on projects that may benefit from their research experience.

Regulation of Markets

While preferring to let markets operate as freely as possible, the Government recognises that intervention may sometimes be needed to ensure that markets are open and fair. The Government therefore seeks to control restrictive or anti-competitive practices.

Within the public sector it has taken a number of steps to increase competition, notably through privatisation (see p 224). The DTI's Deregulation Unit seeks to reduce regulations which inhibit competition, innovation or consumer choice (see p 225).

The Government scrutinises and regulates monopolies, mergers, anti-competitive practices, restrictive trade practices, and resale price maintenance. It has taken measures to increase competition in professional services by tackling restrictive practices. For instance, the opticians' monopoly on the dispensing of spectacles and the solicitors' monopoly on conveyancing have been ended. Certain professional groups (for example, accountants, solicitors, veterinary surgeons, stockbrokers, doctors, dentists and surveyors) have eased the restrictions on advertising by their members, and rules on fee scales have been made more liberal in a number of areas. Building societies are now allowed to offer a greater range of services. Legislation has also provided for greater competition in the provision of legal services.

Monopolies

The Director General of Fair Trading and the Secretary of State for Trade and Industry can refer monopolies for investigation by the Monopolies and Mergers Commission, an independent body. Its members are drawn from a variety of backgrounds and include lawyers, economists, industrialists and trade unionists. The governing legislation defines a monopoly situation as one in which at least a quarter of a particular kind of product or service is supplied by a single person or a group of connected companies or by two or more people acting in a way which prevents, restricts, or distorts competition. The market definition of a monopoly can relate to all of Britain or part of it.

If the Commission finds that a monopoly situation operates against the public interest, the Secretary of State for Trade and Industry has powers to take action to remedy this. Alternatively the Director General may be asked to negotiate undertakings to remedy the adverse effects identified by the Commission. In 1991 the Commission reported on six monopoly situations, two of which were found to operate against the public interest. Two further investigations were still in progress at the end of the year.

The Secretary of State has powers to refer to the Commission any questions concerning the efficiency and costs of the service provided by, or the possible abuse of a monopoly situation by, certain bodies in the public sector.

Mergers

The Government believes that the market is, in most cases, the best judge of the advantages and disadvantages of mergers. The great majority of mergers which do not pose a threat to competition are, therefore, allowed to take place. However, under the Fair Trading Act 1973, the Secretary of State for Trade and Industry can refer mergers for investigation by the Monopolies and Mergers Commission if they could lead to a significant reduction in competition or otherwise raise matters of public concern.

A merger is defined as occurring when two or more enterprises are brought under common ownership or control. A merger qualifies for investigation by the Commission where:

- an existing market share of 25 per cent or more is increased; or
- the total value of gross assets to be taken over exceeds £30 million.

After considering advice from the Director General of Fair Trading, the Secretary of State may refer a merger or proposed merger to the Commission. The primary criterion of the Government's referral policy is the possible effects on competition. If the Commission finds that a merger or proposed merger may be expected to operate against the public interest, the Secretary of State can prohibit it. Alternatively, the Director General may be asked to obtain suitable undertakings from the companies involved to remedy the adverse effects identified. If the merger has already taken place, the Secretary of State can take similar action to reverse it. There are special provisions for newspaper and water company mergers.

During 1991, three acquisitions valued at more than £1,000 million were completed. The number of mergers qualifying for investigation in 1991 was 185, compared with 269 in 1990.

The Companies Act 1989 made changes to improve merger control procedure. This provided for:

- a voluntary procedure for pre-notification of proposed mergers which, for the majority of cases, permits prompt clearance;
- the acceptance of statutory undertakings by the parties concerned in order to obviate the need for a full investigation by the Monopolies and Mergers Commission in certain cases; and
- the temporary prohibition on reciprocal share dealing by the parties to a merger referred to the Commission.

Anti-competitive Practices

The Director General of Fair Trading can, with limited exceptions, investigate any business practice which appears anti-competitive. If the Director General concludes that a practice is anti-competitive, an undertaking may be sought from the business responsible for the practice; if a suitable undertaking is not given, the matter may be referred to the Monopolies and Mergers Commission to establish whether it is an anti-competitive practice and if it operates against the public interest. In the case of an adverse finding by the Commission, the Secretary of State has powers to take remedial action.

Restrictive Trade Practices

Certain kinds of commercial agreements containing restrictions on, for example, matters such as prices or conditions of sale have to be notified to the Director General of Fair Trading for registration. Failure to register an agreement within the required period means that the restrictions are void and unenforceable and the parties may be liable to legal proceedings.

Once an agreement has been registered, the Director General is under a general duty to refer it to the Restrictive Practices Court. In practice, however, the great majority of agreements never reach the Court because the parties elect to give up the restrictions rather than go to court. Alternatively, the Secretary of State accepts the Director General's advice that the restrictions are not significant enough to warrant referral to the Court.

If an agreement goes to the Court, the Court must declare the restrictions contrary to the public interest unless the parties can satisfy it that the agreement is in the public interest, using set criteria ('gateways'). Restrictions declared contrary to the public interest by the Court are void, and the Court has the power to order the parties not to implement them.

Resale Price Maintenance

With two exceptions, it is unlawful for

suppliers to notify dealers of a minimum resale price for their goods or to make it a condition of supply that their goods must not be sold below a specified price. Similarly, it is also unlawful for suppliers to seek to impose minimum resale prices by withholding supplies of goods or discriminating in other ways. The Director General of Fair Trading, or anyone affected, can take proceedings against such actions in the civil courts.

Financial Services

Legislation exists to offer greater protection to investors. The Securities and Investments Board (see p 258) is empowered to set out general principles governing the conduct of investment business.

Under the Financial Services Act 1986, the Director General of Fair Trading is able to consider the effects on competition of the rules and practices of the various regulatory bodies operating under the Act. Where a significant or potentially significant effect has been identified, a report is made to the Secretary of State for Trade and Industry. If the Secretary of State agrees with this view and does not consider that the provisions are necessary for the protection of investors, he or she may refuse or revoke recognition of the organisation or require it to make alterations to its provisions.

European Community

European Community rules provide for free and fair competition in trade between member states. In most areas of economic activity the enforcement of these rules is primarily the responsibility of the European Commission, which has powers to investigate and terminate alleged infringements and to impose fines.

The Treaty of Rome prohibits agreements or concerted practices which affect trade between member states and which prevent, restrict or distort competition within the common market. Agreements meeting specified criteria may be exempted from this prohibition either individually or by category of agreement. The latter include certain agreements in exclusive distribution and exclusive purchasing, franchising, co-operative research

and development, specialisation and patent licensing. Air services within the Community were liberalised further in 1992.

The Treaty does not allow any abuse of a dominant position within the Community or a substantial part of it if this affects trade between member states. Large mergers with a Community dimension, which are assessed by reference to turnover, normally come under the exclusive jurisdiction of the European Commission. The Commission can ban them if it considers that they create or strengthen a dominant position which would significantly impede effective competition within the Community.

Consumer Protection

The Government believes that consumers' interests are best served by open and competitive markets offering the widest range of choice in goods and services. There are, however, laws to ensure that consumers are adequately protected.

Legislation covers the sale of goods, the supply of goods and services, and the way that goods and services are described. The marking and accuracy of quantities are regulated by weights and measures legislation. The Food Safety Act 1990 contains measures to improve food safety and to protect consumers; these include tougher penalties and better enforcement powers. Another law provides for the control of medical products, and certain other substances and articles, through a system of licences and certificates. Under European Community legislation, it is a criminal offence to supply unsafe consumer products. A range of public safety information for consumers has been made available by the DTI.

The Director General of Fair Trading can make recommendations to the Government for legislation to put a stop to trading practices that unfairly affect consumers' interests. He or she can also take action against persistent offenders against existing law. Under the Fair Trading Act 1973, the Director General has a duty to encourage trade associations to prepare and circulate to their members codes of practice aimed at raising trading standards.

The Director General is responsible for the operation of legislation regulating consumer credit and hire business and estate agency work. He or she also has responsibilities under legislation for controlling misleading advertisements.

The European Community's consumer programme covers a number of important activities, such as health and safety, protection of the consumer's economic interests, promotion of consumer education and strengthening the representation of consumers. The views of British consumer organisations on Community matters are represented by the Consumers in the European Community Group (UK). British consumer bodies are also represented on the European consumer 'watchdog' body, the Bureau Européen des Unions de Consommateurs (BEUC).

Consumer Advice and Information

Advice and information on consumer matters are given by Citizens Advice Bureaux, trading standards or consumer protection departments of local authorities, and, in some areas, by specialist consumer advice centres.

The independent, non-statutory National Consumer Council (and the associated councils for Scotland and Wales), which receives government finance, presents the consumer's view to government, industry and others. The General Consumer Council for Northern Ireland has wide-ranging duties in consumer protection and consumer affairs in general.

Consumer bodies for the rail and other nationalised industries and privatised industries investigate questions of concern to the consumer. Some trade associations in industry and commerce have established codes of practice. In addition, several private organisations work to further consumer interests. The largest is the Consumers' Association, funded by the subscriptions of its members.

Education and Training

A well educated and well trained workforce is considered essential for economic growth,

particularly at a time of intense international competition and rapid technological advance. The Government takes measures to see that education and training are broadly based and that people of all ages can acquire relevant knowledge and skills. It has introduced legislation to improve education and training for young people by, among other things, reducing barriers between academic and vocational studies.

Industrial and commercial matters are being allotted a more prominent place in school and post-school curricula. The introduction of the National Curriculum in England and Wales, with parallel developments in Scotland and Northern Ireland, is helping to achieve this in schools, and the Technical and Vocational Education Initiative plays a similar role in both schools and colleges. Businessmen and women contribute to curriculum development and cross-curricular economic and industrial understanding for schoolchildren, and have been enabled to take a larger part in the management of educational establishments.

The Government has set up a network of 82 business-led Training and Enterprise Councils (TECs) in England and Wales and 22 Local Enterprise Companies (LECs) in Scotland (see p 168). TECs are independent companies run by boards of directors, the majority of whom are drawn from private sector business. They manage a range of training, education and enterprise programmes on behalf of the Government.

Schoolchildren and teachers are given the opportunity to gain business experience by, for instance, spending time in firms. Colleges and universities co-operate with industry in joint ventures such as science parks and regional technology centres and in the provision of enterprise training for higher education students.

Management Development and Industrial Training

Management education is on offer at many universities and colleges of higher and further education. Some regional management centres have been established in England and Wales

by associations of these colleges, and there are several similar organisations in Scotland. Universities run full-time postgraduate programmes at business schools such as those of London, Manchester, Durham, Warwick and Strathclyde universities.

Training courses for managers are offered by several independent colleges, including the Management College (Henley-on-Thames), Ashridge College (Berkhamsted) and Cranfield School of Management (Bedford). Open and distance learning opportunities are becoming more widely available. The Open University, which provides degree courses using distance learning techniques, notably television broadcasts, has its own Business School offering part-time courses leading to a diploma in management and to a Master's degree in Business Administration.

The British Institute of Management encourages excellence in management. Other professional bodies are concerned with standards and training in specialised branches of management. The employer-led Management Charter Initiative (MCI) is the operating arm of the National Forum for Management Education and Development and the leading industrial body for management standards. Over 1,400 employers, representing a quarter of the total workforce, are members of MCI, which has 50 local networks working with local employers.

Engineering Council

Established under Royal Charter in 1981, the Engineering Council promotes the science and practice of engineering and advances education in engineering. The Council maintains a register of 290,000 chartered engineers, incorporated engineers and engineering technicians. In co-operation with various professional institutions and other organisations concerned with training in engineering, it has set standards for education, training and experience, and accredited courses by which people qualify for registration. The Council is advised by some 250 industrial affiliates on industrial requirements for engineers and technicians.

Design

The Design Council promotes effective design in industry and commerce. It works with manufacturing industry to underline the importance of design and supports training and education in design at all levels.

As the DTI's main agent for design promotion, the Design Council has responsibility for linking design to innovation and technology so as to ensure that British products compete effectively in world markets. It is also responsible for the design element of the Enterprise Initiative consultancy scheme, and for the design element of the 'Managing into the 90s' programme. Its activities include:

- offering advice on design matters and problems;
- organising conferences and seminars;
- providing help for design education; and
- producing publications and videos.

The Design Council, in operating the DTI's consultancy initiative on design, offers firms employing up to 500 people five to 15 days of subsidised consultancy. The Council runs the British Design Awards in four categories: consumer and contract goods; transport industry products; computer software; and industrial products.

Quality and Standards

The Government is urging industry and commerce to consider quality at all stages of design, production, marketing and delivery to customers.

Through its support for consultancy projects, the Government helps small and medium-sized firms to learn about and apply quality management techniques based on a national standard meeting international requirements. In order to increase customer confidence, companies are encouraged to obtain assessment and registration to this standard. The competence and performance of organisations undertaking such certification are officially approved by the National Accreditation Council for

Certification Bodies. Companies certified by accredited bodies are permitted to use the national 'crown and tick' accreditation mark.

The British Standards Institution (BSI), incorporated by Royal Charter, is the British member of the European and international standards organisations. It works with industry and government to produce standards of the required quality, relevant to the needs of the market, internationally respected, and suitable for public purchasing and regulatory purposes.

Government support for BSI is directed particularly towards European and international standards work. Common standards are contributing to the aim of creating the single internal market in the European Community. Over one-third of the 11,000 British Standards are now identical with European or international standards; of all standards published in 1991-92, over a half are identical. The Kitemark is BSI's registered certification trade mark. Resource, a joint venture between BSI and the Government, has been launched to promote collaboration with overseas countries in standards, quality assurance, metrology and testing.

Measurement Standards

The Department of Trade and Industry is responsible for policy relating to the National Measurement System. Through its contractors, including the National Physical Laboratory (NPL), it provides most of the physical measurement standards and associated calibration facilities necessary so that measurements in Britain are made on a common basis and to the required accuracy. Links with other national standards laboratories are maintained to ensure international compatibility in standards and measurement, which is essential for overseas trade and technological co-operation. The National Measurement Accreditation Service (NAMAS) is the national accreditation service for calibration and testing laboratories. NAMAS-accredited laboratories offer calibration of scientific instruments and supply official certificates in, primarily, the physical, chemical and engineering fields.

The DTI, through contractors such as the Laboratory of the Government Chemist, provides standards associated with chemical and analytical measurement. These standards and approved methods also form the basis for NAMAS accreditation of laboratories carrying out analytical measurement. International agreement is based on the provision of appropriate standards and the utilisation of approved methods of analysis.

As an executive agency of the DTI, the National Weights and Measures Laboratory administers legislation concerned with standards and measuring equipment for use in trade. New European Community directives on measuring instruments, which are to replace national legislation, will ensure free circulation of approved equipment within the Community.

Awards to Industry and Commerce

The Queen's Awards for Export and Technological Achievement recognise outstanding performance in their respective fields. Awarded annually, they last for five years and are granted by the Queen on the advice of the Prime Minister, who is assisted by an Advisory Committee consisting of senior representatives from industry, commerce, the trade unions and government departments. Any self-contained 'industrial unit' in Britain is eligible to apply, regardless of size, provided it meets the scheme's criteria. A new award for environmental achievement is to be launched in 1993.

Other awards include the Export Award for Smaller Businesses (for firms employing fewer than 200 people) and the MacRobert Award, the major award for engineering in Britain made by the Fellowship of Engineering for successful technological innovation.

Company Law

All British companies are registered with the Registrar of Companies in Cardiff, Edinburgh or Belfast, depending on whether a company's registered office is in England or Wales, Scotland or Northern Ireland. Legislation deals with capital structure, the rights and

duties of directors and members, and the preparation and filing of accounts. Most corporate businesses are 'limited liability' companies. The liability of members of a limited company is restricted to contributing an amount related to their shareholding. In the case of unincorporated businesses, such as sole proprietorships or partnerships, individuals are personally liable for any business debts, except where a member of a partnership is a limited liability company.

Companies may be either public or private. A company must satisfy three conditions before it can become a public limited company (plc). It must:

- be limited by shares and have a share capital;
- state in its memorandum of association that it is to be a public limited company; and
- meet specified minimum capital requirements.

All other British companies are private companies and are generally prohibited from offering their shares to the public. Companies with a place of business in Britain, but which are incorporated overseas, are also required to register.

Laws relating to companies are designed to meet the need for proper regulation of business, secure open markets and create greater safeguards for those wishing to invest in companies or do business with them. They implement European Community directives dealing with company laws, and company and group accounts and their auditing. Additionally, they permit the implementation of policy changes designed to reduce unnecessary regulation of business, strengthen rules on the disclosure of interest in shares, and increase powers to investigate companies.

Insider dealing in shares is a criminal offence. Inspectors may be appointed to investigate possible insider dealing. Throughout Britain, there is a licensing

procedure to ensure the professional competence, integrity and independence of people acting as trustees of bankrupt individuals, or as liquidators, receivers or administrators of insolvent companies.

The Serious Fraud Office investigates and prosecutes cases of fraud in England, Wales and Northern Ireland.

Industrial and Intellectual Property

Legislation secures the rights of the originators of inventions, new industrial designs and trade marks. These matters are administered by the Patent Office, which includes the Design Registry and the Trade Marks Registry. The Patent Office is an executive agency of the DTI. Protection is also available under the European Patent Convention and the Patent Co-operation Treaty. Benefits may be claimed in other countries by virtue of the International Convention for the Protection of Industrial Property.

The Government supports innovation by protecting the ownership of ideas through patents, registered designs, trade marks and copyright. Recent measures include:

- a sharp increase in penalties for making and trading in pirate sound and film recordings (including video);
- extension of copyright protection to owners of computer software;
- widening of the law on trade marks to embrace services;
- introduction of powers for customs authorities to prevent the entry of counterfeit goods;
- introduction of a new form of protection for designs; and
- new laws to protect performers.

Changes have been proposed to modernise and simplify existing trade marks law, and to make trade mark registration and protection easier.

13 Manufacturing and Construction Industry

Introduction

Manufacturing accounted for 21 per cent of gross domestic product (GDP) in 1991 and for about the same percentage of employment. Over 80 per cent of visible exports consisted of manufactured or semi-manufactured goods. Almost all manufacturing is carried out by private businesses.

In 1991 manufacturing output was 12 per cent higher than in 1985 (see Table 13.2). However, the recent recession has led to contraction in some areas of the sector. Although there was a decline in manufacturing output of 5 per cent in 1991, output in some industries, such as chemicals and synthetic fibres, continued to rise (see Table 13.2). Manufacturing employment in Great Britain fell from 5.8 million in 1982 to 4.7 million in 1991. Total fixed capital

expenditure in manufacturing at current prices was £12,678 million in 1991, comprising £10,170 million in plant and machinery, £1,956 million in new building work and £552 million in vehicles (investment by sector is shown in Table 13.3).

The ten largest manufacturing concerns, by £ million of turnover, are Unilever (22,258), BAT Industries (15,027), Imperial Chemical Industries (12,906), British Aerospace (10,540), Grand Metropolitan (9,395), Hanson Trust (7,153), Ford Motor Company (6,732) General Electric Company (GEC) (5,253), British Steel (5,113) and SmithKline Beecham (4,764).

The construction industry contributed 7 per cent of GDP and employed just over 900,000 people in 1991. It accounted for over 4 per cent of total employment. Total fixed capital spending at current prices was £965 million in 1990.

Table 13.1: Manufacturing—Size of Businesses by Turnover and Employment

Annual turnover (£'000)	Number of businesses ^a 1991	Employment size	Number of businesses ^a 1991	Employment 1989
24-49	32,404	1-9	100,192	285,745
50-99	25,126	10-19	13,488	191,629
100-249	33,853	20-49	15,410	475,046
250-499	20,827	50-99	6,145	425,100
500-999	14,838	100-199	3,522	488,530
1,000-4,999	17,768	200-499	2,385	734,528
5,000 and over	6,874	500-999	787	545,666
		1,000 and over	572	2,592,813
Total	151,690	Total	142,501	4,739,057

Source: *Size Analysis of United Kingdom Businesses 1991. Business Monitor PA 1003.*

^a Defined as legal units, which includes companies, partnerships, sole proprietors, general government and non-profit-making bodies.

Advanced Technology

High-technology manufacturing industries in Britain, such as the electrical, electronic and instrument engineering, chemicals and aerospace industries, have some of the highest levels of research and development (R & D) spending in relation to their gross output (see p 378). Most of the electrical and electronic industries—office machinery, electronic data-processing equipment, basic electrical equipment, telecommunications equipment, electrical instruments and control systems, radio and electronic capital goods, and components—are included. Instrument engineering covers precision equipment for measuring and checking, plus medical, optical, photographic and filming equipment.

High-technology chemicals include specialised organics, plastics materials, synthetic resins, synthetic rubbers and pharmaceuticals. Aerospace production as a whole is defined as high-technology. All these industries have levels of output, productivity and exports above the average for manufacturing industries.

Computer-aided design and manufacturing processes are commonplace in large areas of the manufacturing sector. About 137,000 computers were in use for manufacturing applications in the engineering sector in 1991 and firms reported that expenditure on computer hardware, software and services was expected to reach £955 million during 1992. Many British concerns are making use of advanced lightweight materials, such as carbon fibre composites in the aerospace industry, new types of plastics in the automotive and engineering sectors and high-fibre, cholesterol-free protein in food production. Advanced robots function in conditions too hazardous for human operators, such as certain areas of mining, nuclear engineering and firefighting. The widespread adoption of Advanced Manufacturing Technology (AMT) has enabled the motor vehicle industry to become more efficient.

The Government provides financial assistance to companies and research organisations seeking to develop and improve technologies needed by industry. It has, for example, made resources available to

Table 13.2: Indices of Manufacturing Output (1985 = 100)

	Share of output 1985 (weight per 1,000)	1986	1990	1991
Metal manufacturing	38	100.3	121.2	110.2
Other minerals and mineral products	50	101.3	113.4	103.0
Chemicals	101	101.7	118.3	121.5
Synthetic fibres	4	103.6	117.2	120.0
Other metal goods	55	99.4	110.8	99.6
Mechanical engineering	122	96.5	112.4	100.2
Electrical and instrument engineering	143	100.6	124.9	121.9
Motor vehicles and parts	55	96.9	121.7	110.8
Aerospace and other transport equipment	55	111.9	129.6	119.0
Food	97	101.3	105.6	106.0
Drink and tobacco	34	99.6	108.6	106.8
Textiles	29	100.2	92.0	85.3
Clothing, footwear and leather	38	101.0	99.1	89.2
Paper, printing and publishing	101	104.2	133.9	128.5
Other manufacturing	80	105.0	132.2	123.0
Total	1,000	101.3	118.4	112.2

Source: Central Statistical Office.

encourage and assist companies to take advantage of the emerging technologies of multi-vendor computer communications and exchange of data. Government funding has also been awarded for collaborative research into open information technology systems, safety critical systems and computer-supported co-operative working.

Sectors of Manufacturing

Relative sizes of the various branches of manufacturing are shown in Tables 13.1 and 13.2. Table 13.3 also indicates employment and investment levels in each sector. A more detailed description of the main branches is given below.

Mineral and Metal Products

Iron and Steel Products

Britain is the world's tenth largest steel-producing nation. British producers delivered 15 million tonnes of finished steel in 1991, of which 53 per cent was sold on the home market and the remainder exported. The

steel industry has operated a balance-of-payments surplus since 1983. The major areas of steel production are in Wales, and northern and eastern England, with substantial re-rolling and further processing in the Midlands.

British Steel is the fourth largest steel company in the Western world, producing about four-fifths of Britain's crude steel. The company's output is based on strip products, plate, heavy sections, tubes and stainless items. Its products are used principally in the packaging, construction, automotive, engineering, transport, metal goods and energy industries.

Forty other steel-producing firms, represented by the British Independent Steel Producers' Association, manufacture engineering and other special steels, wire rod, wire and wire products, reinforcements for use in the construction industry, and other more specialised goods. They are responsible for about 35 per cent by value of finished steel deliveries. Exports have increased since the early 1980s, particularly to the rest of the European Community. Total steel exports were 7.7 million tonnes in 1991, 13 per cent higher than in 1990.

Table 13.3: Output, Employment and Investment in Manufacturing

	Net output (£ million) 1990	Employment ^a March 1992 ('000)	Gross domestic fixed capital formation (£ million) 1991
Metals, other minerals and mineral products	8,957	326	3,224
Chemicals and fibres	10,762	303	
Other metal goods	6,092	283	
Mechanical engineering	12,645	660	4,856
Electrical, electronic and instrument engineering	13,728	587	
Motor vehicles and parts	5,989	216	
Aerospace and other transport equipment	6,658	211	
Food, drink and tobacco	13,644	496	4,598
Textiles	2,875	175	
Clothing, footwear and leather	3,334	261	
Paper, printing and publishing	11,625	465	
Other manufacturing	9,499	539	
Total	105,808	4,522	12,678

Sources: *United Kingdom National Accounts 1992 Edition* and *Employment Gazette*.

^a Employees in employment in Great Britain.

Note: Differences between totals and the sums of their component parts are due to rounding.

Table 13.4: Minerals and Metal Products

	Sales (£ million) 1990	Exports (£ million) 1991	Imports (£ million) 1991
Iron products	1,327	352	86
Non-ferrous metals	5,444	2,335	3,130
Non-metallic mineral products	8,367	1,237	1,240
<i>of which:</i> glass and glassware	2,125	438	633
ceramic and heat-resistant goods	1,690	565	336

Non-ferrous Metals

Output of non-ferrous metals and their alloys in 1991 included primary aluminium, of which nearly 294,000 tonnes were delivered, and secondary aluminium, of which over 136,000 tonnes were delivered. Britain produced over 70,000 tonnes of unwrought copper and just under 400,000 tonnes of copper and copper alloy semi-manufactures. Primary metal production relies mainly on imported ores, concentrates and partially refined metal. Recycled metal plays an important part in raw material supply.

Britain is a major producer of specialised alloys for high-technology requirements in the aerospace, electronic, petrochemical, and nuclear and other fuel industries. Titanium and titanium alloys are used in aircraft production, power generation and North Sea oil production, and nickel alloys for aero-engines operating in high-temperature environments.

In recent years considerable progress has been made in the development of 'superplastic' alloys, which are more ductile and elastic than conventional alloys. Aluminium lithium, developed by British Alcan Aluminium, is ideal for use in aircraft, being lighter, stronger and more rigid than normal aluminium. Nearly half of the industry is situated in the Midlands and Wales.

Ceramics

The ceramics industry manufactures clay products, such as domestic pottery, sanitaryware and tiles, and clay pipes for the

building trade. Total sales of ceramic goods in 1991 were £1,038 million. Domestic pottery, which includes the manufacture of china, earthenware and stoneware, accounted for 22 per cent of the industry's output in 1990. Tableware is produced in Stoke-on-Trent, and Britain is the world's leading manufacturer and major exporter of fine bone china.

Research is being conducted into ceramics for use in housebuilding and diesel and jet engines. Important industrial ceramics invented in Britain include silicon carbides developed by the United Kingdom Atomic Energy Authority and sialons developed at the University of Newcastle upon Tyne.

Other Mineral Products

Glass-reinforced cement composites for the construction industry were invented in Britain in the early 1970s and are made under licence in over 40 countries.

Flat glass is manufactured through the float glass process, which was developed by Pilkington Brothers and licensed to glassmakers throughout the world. Pilkington has also produced an energy-saving window glass which reflects room heat without impairing visibility. Export sales of flat glass principal products amounted to £100 million in 1991.

Britain is the world's biggest exporter of china clay (kaolin). In 1991 some 3 million tonnes, valued at more than £200 million, were sold overseas. The main company involved is ECC International, part of the English China Clay Group.

Chemicals and Synthetic Fibres

Britain's chemicals industry is at the forefront of modern technology, spending the equivalent of 6 per cent of total sales on research and development. It is the third largest chemicals industry in Western Europe, and the fifth largest in the Western world. The nation's fourth biggest manufacturing industry, nearly half of its production of principal products is exported, making it Britain's greatest single export earner. The industry had a trade surplus of £2,800 million in 1991 and provided employment for more than 300,000 people. The most rapid growth in recent years has been in speciality chemicals, particularly pharmaceuticals, pesticides and cosmetics. Imperial Chemical Industries (ICI) accounts for a substantial part of the industry's production. It is the fourth largest chemicals company in the world, has a range of 15,000 products and is one of Britain's biggest exporting companies.

Traditionally Britain has been a major producer of basic industrial chemicals, such as inorganic and basic organic chemicals, plastics and fertilisers, which together comprise around 38 per cent of output. Sales of principal fertiliser products reached £585 million in 1991. Many major chemical companies are subsidiaries of overseas companies and others are specialist manufacturers of pharmaceuticals, such as Glaxo and Wellcome.

Chemicals

Sales of the principal products of organic chemicals amounted to £3,890 million in 1991 and those of miscellaneous chemicals for

industrial use to £3,020 million; the surplus on overseas trade in the latter sector was over £500 million. Some British chemicals companies have reacted to falling world demand and have changed to producing specialised rather than commodity organics.

The most important products sold in the organic chemicals range are ethylene (1.6 million tonnes produced in 1991), benzene (721,000 tonnes) and propylene (932,000 tonnes).

A large proportion of world R & D in agrochemicals is conducted in Britain. Notable British discoveries include pyrethroid insecticides, ICI's diquat and paraquat herbicides, systemic fungicides and aphicides, genetically engineered microbial pesticides and methods of encouraging natural parasites against common pests in horticulture.

Exports of soap and toilet preparations in 1991 were valued at almost £900 million, compared with imports of over £500 million. Total sales amounted to more than £4,000 million. This sector includes soap and synthetic detergents, dominated by Lever Brothers (part of Unilever) and by the United States-owned Proctor and Gamble. Boots and SmithKline Beecham are significant producers of perfumes, cosmetics and toilet preparations.

Much of inorganic chemicals production consists of relatively simple bulk chemicals, such as sulphuric acid and metallic and non-metallic oxides, serving as basic materials for industry. Other speciality chemicals include industrial gases, essential oils and flavourings, adhesives and sealants, and explosives. Annual investment in environmentally safe products and processes is increasing.

Table 13.5: Chemicals and Synthetic Fibres

	Sales (£ million) 1990	Exports (£ million) 1991	Imports (£ million) 1991
Chemicals and synthetic fibres	24,739	13,784	10,973
<i>of which:</i> basic industrial chemicals	14,157	6,140	6,207
specialised industrial products	5,377	2,221	1,399
pharmaceuticals	6,547	2,716	1,434
soap and toilet preparations	4,153	884	524

Plastics

About one-third of semi-manufactured plastics production is exported. Expansion in recent years has mainly been in thermoplastic materials, of which the most important are polyethylene, polyvinylchloride, polystyrene and polypropylene. Total sales of plastics packaging products, valued at £2,200 million in 1991, were largely accounted for by the home market. With up to three times the strength but only a fifth of the weight of steel, heat-resistant engineering plastics are used in aircraft and vehicle manufacture. ICI has produced the world's first biodegradable thermoplastic, Biopol, which is used as a slow release agent for drugs and herbicides and for making non-polluting bottles and films. ICI's polyester-based digital 'paper' is being used to make computer tape. Synthetic rubbers in large-scale production include butadiene-based neoprene for tyres, high-styrene for shoe soles and flooring, and oil-resistant nitrile rubbers. Output of plastics packaging rose by 45 per cent in the late 1980s and new types of plastics are fast replacing traditional packaging materials like paper, tin and glass.

ICI is the world's largest paint manufacturer. Among specialised products are new ranges of synthetic resins and pigments, powder coatings, non-drip and quick-drying paints and paints needing only one top coat. Two recent innovations have been solid emulsion paint and a temporary water-based finish which can be removed easily by chemical treatment, for vehicle bodies and road markings. Sales of paint, varnishes and painters' fillings were worth £1,730 million in 1991.

Pharmaceuticals

Britain is the world's fourth largest exporter of medicines. The strength of chemicals has been based on the performance of Britain's pharmaceuticals industry. This sector has some of the world's largest multinational research-intensive manufacturers, as well as middle-sized and smaller specialist companies. Total sales in 1991 were over £6,000 million. Pharmaceuticals exports, which include some of the world's best-

selling products, were valued at £2,700 million. The main markets are Western Europe and North America, with Japan an expanding market.

The pharmaceuticals industry's trade surplus of £1,280 million in 1991 was the second largest of all manufacturing sectors, an increase of 9 per cent on 1990. Employing over 87,000 people directly, the pharmaceuticals sector supports employment for 250,000 others in related activities.

The industry invested more than £1,000 million in R & D in 1991. This sum amounts to more than 14 per cent of British manufacturing industry's R & D and represents about 8 per cent of total world expenditure on medicines research. Progress in pharmaceuticals research has helped to reduce dramatically the impact of diseases such as polio, tuberculosis, diphtheria and measles. The substantial investment needed for R & D is leading to further concentration of the industry's resources in a smaller number of fields.

In 1991 British firms made three of the world's ten best-selling medicines, including Glaxo's ulcer treatment Zantac and ICI's beta-blocker Tenormin for treating high blood pressure. The United States subsidiary of Britain's Wellcome Foundation developed Retrovir (also called Zidovudine), the first treatment for HIV infection to gain government approval, as well as Zovirax, the first routine treatment for the herpes group of viruses. Both drugs increased sales by around 30 per cent in the latter half of 1991. Other recent major developments pioneered in Britain are semi-synthetic penicillins and cephalosporins, both powerful antibiotics, and new treatments for asthma, arthritis, migraine and coronary heart disease. Glaxo's Zofran, the anti-nausea drug used to counter the effects of cancer treatments, achieved £120 million of sales in 1991.

A growing trend is the production of cheaper, unbranded (generic) drugs. The biggest British company making these, Medeva, is also the world's fifth largest

vaccine maker. It develops generic drugs by improving existing drugs or buying the companies which make them.

Biotechnology

The biotechnology sector includes the manufacture of products using techniques such as genetic engineering. Britain has made major advances in the development of drugs such as human insulin and interferons, genetically-engineered vaccines, and the production of antibiotics by fermentation; agricultural products such as infection-resistant crops; medical diagnostic materials like biosensors; and synthetic foodstuffs such as the animal food Pruteen and the human food Mycoprotein.

The major chemical companies, like ICI, Wellcome, Glaxo and SmithKline Beecham, undertake extensive research in biotechnology. The specialist products of Britain's 50 small independent biotechnology firms comprise, among other items, medical diagnostics and microbial pesticides. The British company Celltech was the first licensed by the United States Government for the large-scale production of monoclonal antibodies, proteins which can seek out a particular substance in the body. They are used to diagnose diseases, identify different blood types and can be employed in the treatment of a range of conditions, including cancer.

Britain leads in the development of molecular graphics, which contribute to the rational design of new and improved

medicines through a computer-aided technique for analysing the structures of complicated organic molecules on a visual display unit.

Fibres

The main types of synthetic fibre are still those first developed: regenerated cellulosic fibres such as viscose, and the major synthetic fibres like nylon polyamide, polyester and acrylics. Extensive research continues to produce a wide variety of innovative products with characteristics designed to meet market needs; antistatic and flame-retardant fibres are examples. More specialist products include the aramids (with very high thermal stability and strength), elastanes (giving very high stretch and recovery) and melded fabrics (produced without the need for knitting or weaving).

Mechanical Engineering and Metal Goods

Exports of mechanical machinery amounted to 13 per cent of visible exports in 1991. Output includes pressure vessels, heat exchangers and storage tanks for chemical and oil-refining (process) plant, steam-raising boilers (including those of high capacity for power stations), nuclear reactors, water and sewage treatment plant, and fabricated steelwork for bridges, buildings and industrial installations.

Britain is among the Western world's

Table 13.6: Mechanical Engineering and Metal Goods

	Sales (£ million)	Exports (£ million)	Imports (£ million)
	1990	1991	1991
Mechanical engineering	17,896	8,688	12,312
<i>of which:</i> industrial plant and steelwork	4,655	650	550
agricultural machinery and tractors	1,692	854	575
machine tools	2,446	847	993
machinery for process industries and non-metallic materials working	3,711	2,264	2,010
mining, construction and mechanical handling equipment	5,392	2,080	4,146
Other metal goods	13,469	n.a.	n.a.

n.a. = not available.

major producers of tractors, which make up over three-quarters of the country's total output of agricultural equipment. Sales of the principal products of the tractor industry were almost £1,000 million in 1991, of which about £660 million was accounted for by overseas sales. Recent technical innovations include computer-controlled tractors, a highly efficient pesticide sprayer and combined mower/conditioners that significantly reduce the drying time for grass. Much of the new machinery is designed for use in a variety of conditions to meet the needs of overseas farmers. The Royal International Agricultural Exhibition, held annually near Coventry, has a specialised tropical machinery centre, where demonstrations of such machinery are given.

Almost all of Britain's machine tools are purchased by the engineering, vehicles and metal goods industries. Britain is the world's seventh largest producer of machine tools. Total sales reached £2,400 million in 1991, of which over a third were exports. British technology leads in probes, sensors, co-ordinate measuring devices, laser melting and the installation of flexible manufacturing systems. Computer numerical-controlled machines account for an increasing proportion of output.

In 1991 most sales of textile machinery were to export markets. British innovations include computerised colour matching and weave simulation, friction spinning, high-speed computer-controlled knitting machines and electronic jacquard attachments for weaving looms.

Sales of mining machinery and tunnelling equipment are substantial. J.C. Bamford is the world's leading manufacturer of backhoe loaders and telescopic handlers. Exports of earth-moving equipment were valued at nearly £1,200 million in 1991. Britain's mining equipment industry leads in the production of coal-cutting and road-heading (shearing) equipment, hydraulic roof supports, conveying equipment, flameproof transformers, switchgear, and subsurface transport equipment and control systems. The mechanical handling equipment industry produces cranes and transporters, lifting devices, escalators, conveyors, powered industrial trucks and air bridges, as well as

electronically controlled and automatic handling systems. Britain is also a major producer of industrial engines, pumps, valves and compressors, and of pneumatic and hydraulic equipment.

Despite an overall decline in the castings industry, some foundries have been investing in new melting, moulding and quality control equipment.

Electrical, Electronic and Instrument Engineering

Sales of basic electrical equipment totalled over £4,000 million in 1991. Sales of electronic data-processing equipment rose substantially between 1986 and 1991, reaching more than £7,800 million in 1991.

Computers

This sector produces an extensive range of systems, central processors and peripheral equipment, from large computers for large-scale data-processing and scientific work to mini- and microcomputers for control and automation systems and for home, educational and office use. The computer sector has been adversely affected by worldwide recession and falling prices. Increased competition has resulted in changed methods of distribution, such as mail order outlets.

Total billings by companies for computer services reached £3,800 million in 1991. The largest components of these billings were for software and related services, worth £1,460 million, and for bureau services, valued at £810 million. Amstrad is Britain's biggest personal computer manufacturer, whose products are aimed at the mass market. It has almost a third of the domestic market in portable personal computers. Export sales of data-processing equipment amounted to over £5,770 million in 1991.

Several leading overseas manufacturers of data-processing equipment—for example, IBM, Unisys, Compaq and Seiko—have established manufacturing plants in Britain. Britain's largest computer manufacturer (producing chiefly mainframe computers) is the Japanese-owned ICL. Other companies,

such as DIP and Psion, have concentrated on developing new products for specialised markets. These include hand-held, pocket-sized computers, increasingly used by company sales forces, and notebook and pen computers. British firms make communications software for portable and mainframe computers. The world's first modem (computer telephone link) for portable computers has been designed in Britain. Psion is a pioneer of the 'palmtop' computer, which has the equivalent power of a desktop machine.

British firms and research organisations, with government support, have been involved in the development and application of the new family of 'three-five' semiconductor materials, such as gallium arsenide; these are used in a number of microwave devices and are leading to the production of much faster-working computers. The Trax, a novel design of supercomputer processor with a wide range of applications, including high-definition television and defence systems, was originally developed at Brunel University, near London.

Communications Equipment

Britain's main communications products are switching and transmission equipment, telephones and terminals, with BT (formerly British Telecom) the main customer for communications network equipment. Mercury Communications is licensed to compete with BT in the provision of network services, while the market for terminals and telephones has been fully liberalised. Innovative work is being stimulated by the expansion of cable television and the growth

in value added network services. There was rapid expansion in the market for cellular telephones in the second half of the 1980s.

Transmission equipment and cables for telecommunications and information networks include submarine and high-specification data-carrying cables. Supported by a technically advanced cable industry, BT has led in the development of optical fibre communications systems and has paved the way for simpler and cheaper optical cables by laying the first non-repeated cable over 100 km (62 miles) long, and by developing the first all-optical repeater. More than half of the world's undersea communications cables have been made and laid by STC Submarine Systems, which, with its United States and French partners, completed the laying of the first transatlantic optical fibre cable, TAT 8, in 1988. Britain also has a world lead in the transmission of computerised data along telephone lines for reproduction on television screens. Export sales of telegraph and telephone apparatus and equipment by British firms were valued at £470 million in 1991.

Another sector of the industry manufactures radio communications equipment, radar, radio and sonar navigational aids for ships and aircraft, thermal imaging systems, alarms and signalling equipment, public broadcasting equipment and other capital goods. Radar was invented in Britain and British firms are still in the forefront of technical advances. Racal Avionics' X-band radar can distinguish different types of aircraft flying at very low altitude and is in use at airports in several countries. Cable and Wireless's submarine cable-laying robot 'CIRRUS', which can

Table 13.7: Electrical and Electronic Engineering

	Sales (£ million)	Exports (£ million)	Imports (£ million)
	1990	1991	1991
Data-processing equipment	7,805	5,771	6,816
Basic electrical equipment	4,094	1,852	1,682
Radio and electronic capital goods	1,969	1,059	855
Electronic components	3,994	2,833	3,737
Consumer electrical and electronic goods	n.a.	1,733	2,485

n.a. = not available.

work at depths of up to 1 km (3,280 ft), is controlled entirely by a computer on its mother ship.

Other Electronic Equipment

A range of electronic measurement and test equipment is made in Britain, as well as analytical instruments, process control equipment, and numerical control and indication equipment for use in machine tools. British companies specialise in several types of advanced electronic medical equipment, such as magnetic resonance imaging (MRI), a technique for internal examination of large body areas without recourse to surgery or potentially harmful radiation. Companies such as GEC and Oxford Instruments also produce other advanced electronic medical equipment, like ultrasound scanners, electromyography systems and patient monitoring systems for intensive and coronary care and other uses.

The indigenous electronics components industry is supplemented by subsidiaries of several leading overseas companies. An area of very rapid change in which Britain is particularly strong is the manufacture of advanced components, such as integrated circuits.

Electrical Engineering and Appliances

Making extensive use of the most advanced technologies, the electrical engineering industry manufactures products for the electricity supply sector, including power plant, cable transformers and switchgear, and lighting, plugs and sockets. The domestic electrical appliance sector is dominated by a few large firms. The major electronic consumer goods produced are radio and television sets, and high-fidelity audio and video equipment. In the audio field British manufacturers have a reputation for high-quality goods but are less strong in the mass market.

The instrument engineering industry makes measuring, photographic, cinematographic and reprographic equipment; watches, clocks and other timing devices; and medical and surgical instruments. Its

precision instrument and medical branches both make significant and growing export sales, but the sector as a whole is contracting.

Motor Vehicles and Other Transport Equipment (excluding Aerospace)

The recent recession has hit the motor vehicles industry particularly hard. A total of 1.8 million new cars and commercial vehicles were sold in 1991, a 22 per cent fall compared with 1990. Sales of new cars were 30 per cent below the 1989 peak of 2.3 million. Car output is dominated by five groups, accounting for 99 per cent of the total: Rover, Ford (including Jaguar), Vauxhall, Peugeot-Talbot and Nissan. The remainder is in the hands of smaller, specialist producers such as Rolls-Royce, whose cars are renowned for their quality and durability.

Despite falling domestic demand, some 605,000 passenger cars valued at over £3,800 million were exported in 1991. Nissan increased production substantially in 1991, and with inward investment projects by Honda and Toyota beginning in 1992-93, car production in Britain is set to rise considerably. These projects are introducing new management methods into the sector.

Ranked as one of the most important industries in Britain, the motor components industry consists of over 2,000 companies. A period of major change has accompanied the arrival of the three major Japanese manufacturers and the established motor vehicle manufacturers are restructuring as a result.

Demand for pedal cycles at home and abroad continues to rise significantly. Raleigh is the leading bicycle manufacturer.

Shipbuilding and Marine Engineering

Britain has a long tradition of shipbuilding and remains active in the construction, conversion and repair of merchant vessels, warships and offshore structures. The largest sector is the building of warships. In addition to meeting all the needs of the Royal Navy, the warship yards build and convert ships for overseas governments.

British yards build some of the most

Table 13.8: Motor Vehicles and Other Transport Equipment

	Sales (£ million) 1990	Exports (£ million) 1991	Imports (£ million) 1991
Motor vehicles (including bodies, trailers, caravans and engines)	18,589	6,019	6,610
Motor vehicle parts	4,601	3,365	4,024
Other transport equipment	3,320	n.a.	n.a.

n.a. = not available.

sophisticated merchant vessels in the world, including gas and chemical carriers and offshore support and research vessels, as well as more traditional ships and craft for the leisure market. The Shipbuilders and Ship Repairers' Association estimates that orders taken by British merchant shipbuilders for the construction of vessels were worth around £650 million in 1991. The shipbuilding industry is supplemented by ship-repairers which modernise and convert vessels, as well as carrying out repairs and maintenance. The British marine equipment industry is also a major contributor to the shipbuilding sector, as equipment installed in a ship's hull accounts for some 70 per cent of its cost. It offers a complete range of products, from engines to sophisticated navigational systems, much of which is exported to shipbuilders and ship-repairers overseas.

More than two decades of oil and gas exploitation in the North Sea have generated a major offshore industry (see p 279). Shipbuilders and fabricators build fixed platforms and semi-submersible units for drilling, production and emergency/maintenance support, drill ships, jack-up rigs, modules and offshore loading systems. Several thousand manufacturing and service industry firms supply goods and services, including consultancy, design, project management, and research and development to the offshore industry.

Aerospace

Britain's aerospace industry is the second largest in the Western world, after the United States. With some 250 member companies of the Society of British Aerospace

Companies (SBAC) employing more than 170,000 people, it had a turnover in 1991 of around £10,500 million. Exports totalled almost £8,000 million and contributed £2,500 million in net terms to the balance of payments. The impact of recession and reductions in defence orders have led to further rationalisation and consolidation of the aerospace industry. Spending on civil products currently equals that on defence products, with British parts makers increasing their proportion of business with the commercial sector to offset reductions in defence orders.

The industry's activities cover designing and constructing airframes, aero-engines, guided weapons and space satellites, together with a full range of flight systems, particularly avionics and complex components, and associated services. To improve fuel economy, engine and airframe manufacturers are using lighter materials such as titanium and carbon-fibre composites, combined with improved aerodynamic techniques.

Airframes

As the leading British exporter of manufactured goods, British Aerospace (BAe) produces both civil and military aircraft, as well as satellites, space systems, guided weapons and components. Civil aircraft include the 146 family of regional quiet-jet airliners, the 64-72-seat ATP (advanced turboprop) airliner, the 19-29-seat Jetstream 31 and 41 commuterliners, and the 125 (the world's best-selling middle-sized business jet).

Collaborative development of civil and military aircraft is increasing to save on costs

of new production programmes. BAe has a 20 per cent share of the European consortium Airbus Industrie, which had sold over 1,760 aircraft by the end of 1991. BAe designs and supplies the wings for all Airbus airliners.

Three types are currently in production: the A310 and A300 medium to long-range airliners, and the short- to medium-haul A320, the first civil airliner to be fitted with 'fly-by-wire' controls. Three further aircraft—the A321, A330 and long-range, four-engine A340—are currently under development. Together with other international aerospace organisations, BAe is studying the feasibility of developing a successor to the Concorde supersonic airliner.

Military production of BAe includes the Harrier, a unique vertical/short take-off and landing (V/STOL) military combat aircraft. Sea Harriers are supplied to the Royal Navy and, in association with McDonnell Douglas in the United States, BAe has developed the improved Harrier II. BAe also produces the Hawk fast-jet trainer and, with McDonnell Douglas, the Goshawk carrier jet trainer. BAe has a 33 per cent share in the development of the next-generation European Fighter Aircraft (EFA)—a co-operative venture between Britain, Italy and Spain. The Tornado combat aircraft is built by a company set up jointly by BAe and Italian and German companies. BAe is a major supplier of tactical guided weapon systems.

Short Brothers of Belfast is engaged in the production of civil and military aircraft, advanced nacelle (engine casings) systems and components for domestic and overseas aerospace manufacturers. It designs and builds the wings for the Fokker 100 jetliner and is a partner in manufacturing the 50-seat Canadair regional Jet airliner, the first turbofan airliner to be developed specifically for regional operation. It also produces the

Sherpa light transport and the Tucano, a turboprop basic military trainer which is in use with the Royal Air Force. Shorts is a major supplier of guided missile systems.

In addition to its production of aerospace equipment, Westland manufactures the Sea King and Lynx military helicopters. In collaboration with Agusta of Italy, it is developing the multi-role EH101 three-engine helicopter, which will be delivered to the Royal Navy and the Italian Navy by the mid-1990s. The company is also a leading manufacturer of composite helicopter blades.

Aero-engine Manufacture

Rolls-Royce is one of the three major manufacturers of aero-engines in the Western world, with a turnover in 1991 of some £3,500 million and an order book at the end of 1991 worth £6,600 million. The company's civil engine group produces engines for airliners and executive and corporate jets. Rolls-Royce RB211-535 engines have been selected by 75 per cent of airlines using Boeing 757 airliners. The RB211-524G and H engines, which power Boeing 747-400 airliners, give improved thrust and fuel efficiency. The company's Tay turbofan engines are in service on the Gulfstream IV and Fokker 100 airliners, and are available as replacement engines for older aircraft. The latest RB211 development is the Trent, the world's most powerful turbofan, due to come into service in 1995. Providing improved fuel efficiency and lower maintenance costs, it will power the Airbus A330 and Boeing 777.

Rolls-Royce is a partner in the five-nation International Aero Engine consortium which produces the low-pollution V2500 aero-engine, now in service on some versions of the Airbus A320; it will also be fitted to the McDonnell Douglas MD90 due to enter

Table 13.9: Aerospace

	Exports (£ million) 1991	Imports (£ million) 1991
Aircraft and parts	5,037	3,191
Aero-engines and parts	2,237	1,566
Aerospace equipment	587	597

service in 1995. The military engine group of Rolls-Royce produces engines for both aircraft and helicopters. The company also produces gas turbines for power generation and for oil and gas pumping, gas turbines for 25 of the world's navies, and propulsion systems for the Royal Navy's nuclear-powered submarines.

Aviation Equipment

British firms have made significant technological advances in aviation equipment. Manufacturers provide essential systems for engines and aircraft, including navigation and landing systems, engine and flight controls, electrical generation, mechanical and hydraulic power systems, cabin furnishings, flight-deck control and information displays, including head-up display (HUD), of which GEC Avionics is the world's largest manufacturer. Numerous other companies supply components, sub-assemblies and spare parts. British firms have made important advances in developing ejection seats, firefighting equipment and flight simulators, as well as fly-by-wire and fly-by-light technology, where control surfaces are moved by means of automatic electronic signalling and fibre optics respectively, rather than by mechanical means. Britain's aerospace companies provide radar and air traffic control equipment and ground power supplies to airports and airlines worldwide.

Hovercraft

Britain pioneered the development of hovercraft and is a world leader in their technology and production. Westland Aerospace hovercraft range from large commercial craft to smaller, 10-passenger craft. Slingsby Aviation build amphibious hovercraft for passenger transport, cargo, ambulance and rescue, and surveying.

Satellite Equipment

Over 400 companies in Britain are involved in space activities. The British industry's major strength is in the manufacture of satellites. British Aerospace Space

Communications Systems is Europe's leading—and the world's third largest—producer of communications satellites. It was the prime contractor for all such satellites built for the European Space Agency (ESA), including Giotto, the scientific satellite that intercepted Halley's Comet, and for the Marecs and Inmarsat-2 series of maritime communications satellites and the Skynet and NATO IV military communications satellites. BAe built 18 payload pallets for the United States Space Shuttle and supplies SPELDA, a structure that enables the ESA's Ariane 4 launcher to carry two spacecraft on the same mission. It was also involved in developing and producing the Intelsat III, IV and V series of satellites, and is a subcontractor for the five Intelsat VI satellites launched from the Space Shuttle. It supplied equipment to the ESA Ulysses satellite mission to Jupiter and the Sun.

Marconi Space Systems has acted as principal contractor on many telecommunications satellite payloads, making instruments for the ESA's European Remote Sensing Satellites ERS-1 and ERS-2, and for Olympus, the world's largest 3-axis stabilised communications satellite. The National Remote Sensing Centre was set up by BAe to process and supply commercial data derived from Earth observation satellites. A consortium led by BAe Space Systems is to build a new Earth Observation Data Centre to process data from ERS-1 and other satellites. GEC Ferranti Defence Systems produces the inertial guidance system for the European Ariane launcher and Pilkington Space Technology is the world's leading producer of solar cell coverglasses for satellites.

Food, Drink and Tobacco

Britain has a sizeable food processing and drinks manufacturing industry, which has accounted for a growing proportion of total domestic food supply in recent decades. The industry's interests are represented by the Food and Drink Federation (FDF). Convenience foods (particularly ready-cooked meals and frozen foods, annual sales of which now stand at approximately £3,850 million),

yoghurts, other dairy desserts and instant snacks have formed the fastest-growing sector of the food market in recent years. The market in health and slimming foods also continues to expand.

Production of milk was 14,075 million litres in 1991, of which 6,900 million litres was sold as liquid milk. Nearly 60 per cent of households in Britain receive milk through a doorstep delivery system employing about 32,000 people. Domestic milk consumption per head—1.09 litres (1.91 pints) per week in 1991—is among the highest in the world. Consumption of skimmed and semi-skimmed milk continues to rise as people seek to reduce the fat content in their diet.

The main milk products are butter (111,710 tonnes produced in 1991), cheese (301,760 tonnes), condensed milk (197,620 tonnes) and dried whole and skimmed milk (205,925 tonnes). The British dairy industry accounted for 63 per cent of new butter supplies to the domestic market in 1991 and 68 per cent of new cheese supplies. Butter exports in 1991 came to 39,640 tonnes and cheese exports 50,700 tonnes. The other main exports are skimmed milk powder and whole milk powder (70,860 and 65,270 tonnes respectively).

About 80 per cent of bread is manufactured in large mechanised bakeries using the British 'Chorleywood' process. Overall consumption of bread has been in long-term decline, although there is an increasing demand for wholemeal varieties. Around 40 per cent of sales consist of 'own label' supermarket brands. Biscuit exports were valued at £180 million in 1991.

Of major significance among the alcoholic drinks produced in Britain is Scotch whisky, which is one of Britain's top five export earners. There are 114 distilleries in Scotland, where the best known brands of blended Scotch whisky are made from the products of single malt and single grain whisky distilleries. Some 85 per cent of Scotch whisky produced is exported, to 190 countries. The value of whisky exports was over £1,830 million in 1991, Europe taking 32 per cent and the United States about 15 per cent by volume.

In 1991 purchases of beer in Britain were valued at £11,600 million, about 3 per cent of total consumers' expenditure.

The brewing industry has five major brewery groups whose products are sold nationally, and 160 local brewers. British malt, which is made almost entirely from home-grown barley, is used by brewers throughout the world. Demand for traditional cask-conditioned ales, which had been falling, has now stabilised, while lager now accounts for just over half of all beer sales.

Several companies produce up to 20 brands of soft drinks, which are marketed on a national scale. Purchases of soft drink products reached £2,324 million in 1991, a rise of 54 per cent compared with 1986.

The British tobacco industry manufactures 99 per cent of cigarettes and tobacco goods sold in Britain. Almost all domestic output is provided by three major manufacturers (Imperial Tobacco, Gallaher and Carreras

Table 13.10: Food, Drink and Tobacco

	Exports (£ million) 1991	Imports (£ million) 1991
Food manufacturing	4,715	10,389
<i>of which:</i>		
meat and meat preparations	n.a.	1,845
dairy products and eggs	n.a.	871
cereals and animal feedstuffs	n.a.	1,438
fruit and vegetables	n.a.	3,002
Beverages	2,251	1,466
Tobacco	783	473

n.a. = not available.

Rothmans). The industry specialises in the production of high-quality cigarettes made from flue-cured tobacco and achieves significant exports. Europe, the Middle East and Africa are important markets.

Textiles and Clothing

These products make a substantial contribution to the British economy in terms of employment, exports and turnover. Together with the footwear and leather industries, they employ around 440,000 people, equal to nearly 10 per cent of manufacturing employment. For textiles, there is a high degree of regional concentration. Particularly important areas are the North West, West Yorkshire (mainly wool), the East Midlands (knitwear), Scotland and Northern Ireland. Most of the clothing industry is widely scattered throughout the country and does not represent a large proportion of employment in any region, although there are significant concentrations in cities such as Manchester, Leicester, Leeds and London. The industries' main products are yarn, woven and knitted fabrics, apparel, industrial and household textiles, and carpets based mainly on wool, cotton and synthetic fibres.

The textile and clothing industry has around 15,000 firms, comprising a few large multi-process companies and two of the world's largest firms—Coats Viyella and Courtaulds Textiles—as well as a large number of small and medium-sized firms.

Increased investment in new machinery and greater attention to design, training and marketing have helped the industry to raise competitiveness. Textile and clothing exports in 1991 amounted to £4,700 million, a 2 per cent increase compared with 1990. The Multi-Fibre Arrangement (MFA) of the General Agreement on Tariffs and Trade (GATT) allows a measure of restraint on imports of textiles and clothing from low-cost countries into the European Community.

Britain's wool textile industry is one of the largest in the world, with two main branches making woollen and worsted. In the past few years the industry's export earnings have been significant, wool export values totalling £500 million in 1991. Synthetic fibre is sometimes blended with wool. West Yorkshire is the main producing area, but Scotland is also famous as a specialised producer of high-quality yarn and cloth. Substantial quantities of raw wool are scoured and cleaned in Britain in preparation for spinning. British mills also process the bulk of rare fibres such as cashmere. Sales of the woollen and worsted industry amounted to over £1,400 million in 1990.

Low-cost competition has cut progressively into British markets for cotton and allied products. Output in 1990 totalled about £1,200 million. Production includes yarn and fabrics of cotton, spun synthetic fibres and cotton-synthetic mixes, with large-scale dyeing and printing of cotton and synthetic fibre fabric. The linen industry is centred in Northern Ireland.

Table 13.11: Textiles, Footwear, Clothing and Leather

	Sales (£ million) 1990	Exports (£ million) 1991	Imports (£ million) 1991
Textile industry	7,649	n.a.	n.a.
<i>of which:</i>			
woollen and worsted	1,415	500	322
cotton and silk	1,241	671	1,942
hosiery and other knitwear	1,958	684	1,373
carpets, rugs and matting	1,205	207	451
Footwear	1,331	307	1,159
Clothing, hats and gloves	6,567	1,355	2,773
Household and other made-up textiles	1,135	154	263
Leather and leather goods	813	341	491

n.a. = not available.

Over half the value of carpet and rug output is made up of tufted carpets. Woven carpets, mainly Axminster, account for most of the remaining sales. There is a higher wool content in woven types, although in these, too, considerable use is being made of synthetic fibres. The high quality and variety of design make Britain one of the world's leading producers of woven carpets. Industrial textiles account for an increasing proportion of the industry's output, covering products such as conveyor belting and geotextiles used in civil engineering projects. Many of these are non-woven, made of fibres assembled using advanced techniques. Synthetic polypropylene yarn is used in the manufacture of carpet backing and ropes, and woven into fabrics for a wide range of applications in the packaging, upholstery, building and motor vehicle industries.

The clothing industry is labour intensive, involving about 8,000 companies. While a broad range of clothing is imported from the rest of Europe and Asia, British industry supplies almost three-fifths of domestic demand. Exports have risen since the British fashion designer industry became prominent during the 1980s and traditional British tailoring enables clothing companies such as Burberry's to compete overseas. The hosiery and knitwear industry comprises about 1,600 companies, mainly in the East Midlands and Scotland.

The footwear manufacturing industry is made up predominantly of small companies, increasingly under pressure from imports.

Other Manufacturing

Nearly 7,000 companies in the wooden and

upholstered furniture industry supply domestic, contract and institutional markets. Domestic production of wood for industrial use has been steadily increasing and deliveries in 1991 amounted to 5.3 million cubic metres.

There were 106 paper and board mills employing 30,500 people in 1991. Among the largest British groups are Argo Wiggins Appleton, St Regis and BPB Paper and Packaging. Over the past decade, inward investment has transformed the paper and board industry. Production has been concentrated in large-scale units to compete more effectively within the single European market. Between 1982 and 1990, output increased by 50 per cent. Over half the industry is made up of forestry product companies from Scandinavia, North America, Australasia and elsewhere. There has been a significant trend towards waste-based packaging grades in order to reduce the industry's reliance on imported woodpulp supplies. Usage of recycled waste paper is increasing and research is helping to extend it. In 1990 the total amount of waste paper used in British newspapers accounted for nearly 27 per cent of the total newsprint consumed. Waste paper provides over half of the industry's fibre needs. Domestically produced wood pulp represents only a small percentage of raw material supplies.

Mergers have led to the formation of large groups in newspaper, magazine and book publishing. Printing, engraving, bookbinding and specialist publishing activities still involve many small firms, now often using new technology such as desktop publishing. The book-publishing industry is a major exporter,

Table 13.12: Other Manufacturing

	Sales (£ million) 1990	Exports (£ million) 1991	Imports (£ million) 1991
Timber and wooden furniture	10,561	538 ^a	2,658 ^a
Paper and paper products	10,447	1,684	4,463
Printing and publishing	17,572	1,131	833
Processing of rubber and plastics	12,812	2,704	3,243
Toys and sports goods	815	371	799

^a Excludes shop and office fittings.

selling one-third of production in overseas markets. Security printers (of, for example, banknotes and postage stamps) are important exporters, the major company being De La Rue. Total employment in the paper, printing and publishing industries in June 1992 was 468,000. Most of the printing and publishing industry's employment and output is concentrated in firms based in south-east England.

Rubber tyres and inner tubes sold by British manufacturers in 1991 were valued at £1,016 million, about £550 million of which went overseas. Other important rubber goods are vehicle components and accessories, conveyor belting, cables, hoses, latex foam products, and footwear, gloves and clothing. Tyre manufacturers include subsidiaries of United States and other overseas companies. The industry's consumption of rubber comprises natural, synthetic and recycled rubber.

Toys, games and sports equipment are established in export markets, while jewellery, gold and silverware and the refining of precious metals are industries maintaining a strong craft tradition.

Construction

Structure

Construction work is carried out by private contractors and by public authorities employing their own labour. Over 1.5 million people work in the construction industry, which accounts for around 7 per cent of national output. Most work is done by private firms, 98 per cent of which employ fewer than 25 people. Some of the larger firms own quarries and workshops, mechanised plant and standard builders' equipment and undertake responsibility for all stages of projects from initial design to finished building. Efficiency and productivity in construction have benefited from computerised techniques such as electronic load safety measures for cranes, distance measuring equipment, computerised stock ordering and job costing, and computer-aided design.

The Government provides substantial work for the construction industry. Much of this is currently channelled through the organisations which succeeded the Property Services Agency (PSA), Property Holdings and PSA Services. Departments are, however, no longer required to use these organisations, and the Government has started to privatise them. Accordingly, departments will be able to obtain all property management, maintenance, design and construction services by competitive tender.

A vast range of products is used in the construction process, from glass and bricks to tiles and bathroom fittings. These materials make up around 40 per cent of the value of construction output. In 1991 sales of construction materials exceeded £20,000 million, with exports amounting to £2,200 million.

Project Management and Financing

All but the smallest projects are generally carried out under the direction of construction managers and management contractors. Architects tend to take charge of smaller projects. The more complex civil engineering projects are overseen by consulting engineers. The latter may advise on the feasibility of projects, draw up plans and supervise the construction work.

Private and public sector projects are managed in a variety of ways. Clients usually invite construction firms to bid for work by competitive tender, having used the design services of a consultant. The successful contractor will then manage on-site work with a number of specialist sub-contractors. Contracts are likely to include provision of building maintenance and 'design-and-build', where a single company oversees every stage of a project.

The financing of major projects has changed in recent years, from clients raising finance to pay for schemes to construction companies offering them a complete package, including finance. As a result building firms are developing closer links with banks and other financial institutions.

The monitoring of project costs is undertaken by quantity surveyors. The inspection and maintenance of buildings are carried out by building surveyors. In addition, town planning and municipal surveyors deal with local planning issues. Independent estates and valuation surveyors manage privately-owned property.

Building Regulations

The Department of the Environment's building regulations prescribe minimum standards of construction in England and Wales. Administered and enforced by local government, the regulations apply to new building, the installation or replacement of fittings, and alterations and extensions to existing buildings. New regulations came into force in June 1992. There are similar controls in Scotland and Northern Ireland. An alternative to local authority building control was introduced in 1984; under this there is a system of private certification of compliance with building regulations. The British Standards Institution is making Britain's contribution to the drafting of European standards, which are increasingly replacing national construction standards.

Housing

During 1991 a total of around 162,000 dwellings were started in Great Britain, slightly fewer than in 1990. Starts in the public sector were 4,000 and those by private enterprise and housing associations, 157,000. Some 177,000 dwellings were completed: 10,000 by the public sector and 167,000 by the private sector.

Major Construction Projects

Among important construction projects in hand or recently completed are the Channel Tunnel, the largest single civil engineering project ever undertaken in Europe (see p 326); the M25 motorway widening scheme; the Dartford Bridge; the A55 Conwy Tunnel; the Broadgate development at Liverpool Street station in London; the extensive development in London's Docklands

(including the Limehouse link road); the new British Library; Glasgow Concert Hall; Birmingham's Symphony Hall; and the British Pavilion at Expo '92 in Seville, Spain. The pavilion, comparable in size to Westminster Abbey, is a vast steel and glass structure, which is sponsored by many major British companies.

Consultancy

In 1991 members of the Association of Consulting Engineers were involved in new work overseas valued at £13,600 million. The capital value of projects underway at the end of 1991 or completed during the year was almost £42,000 million. The three largest categories of work covered railways; roads, bridges and tunnels; and water supply. The largest markets were the Middle East, the Far East and Africa, with a growing market in Eastern Europe. Projects include:

- the Channel Tunnel (£5,500 million); and
- the Hong Kong International Airport (£2,400 million).

British consulting engineers had estimated gross earnings in 1991 of £450 million from overseas commissions.

Contracting

British contractors are currently undertaking, or have recently completed, work in 112 overseas countries or territories, and have a permanent presence in 74 of them. They carried out a fifth of all international work done by European construction companies in 1990, and won new orders worth some £2,500 million. In North America they secured more new business than any other European country, while in Asia, British contractors obtained more new contracting business than any other European country except France.

Important international contracts won by British contractors in 1991-92 include:

- management contracts for the EuroDisney Theme Park, near Paris (£1,000 million) and the 1996 Olympics in Atlanta, United States (£250 million);

- Tsing Ma Bridge in Hong Kong (£583 million);
- a hydro-electric project in Malaysia (£400 million);
- an aluminium smelter in Iran (£350 million);
- hospitals in Malaysia (£309 million);
- a highlands water project in Lesotho (£239 million);
- a gas conversion project in Ankara, Turkey (£100 million);
- restoration of an oilfield in Kuwait (£60 million); and
- a technology plant in Czechoslovakia (£50 million).

Research and Advisory Services

The Government's research and advisory body on construction is the Building Research Establishment. It has four laboratories, including a fire research station, and is the site of a building energy management systems centre. Major construction and materials firms, universities, colleges of technology and research associations, as well as the British Board of Agrément, carry out research and provide advisory services.

The Building Centre provides exhibition and information services on materials, products, techniques and building services.

14 Finance and Other Service Industries

The service industries, which include finance, retailing, tourism and business services, contribute about 65 per cent of gross domestic product and 71 per cent of employment. Overseas earnings from services amounted to 37 per cent of the value of exports of manufactures in 1991. The number of employees in services in Great Britain rose from just over 13 million in 1982 to 15.2 million by the end of 1991. Much of this was accounted for by growth in part-time (principally female) employment.

Employment grew more rapidly in the private sector than in the public sector, partly reflecting the Government's policies of privatisation and of restricting employment in public sector services.

Average real disposable income per head increased by nearly three-quarters between 1971 and 1990 and this was reflected in a growth in consumer spending on financial, personal and leisure services and on the maintenance and repair of consumer durables. Britain is a major financial centre, housing some of the world's leading banking, insurance, securities, shipping, commodities, futures, and other financial services and markets. Demand for British travel, hotel and catering services rose as real incomes in Britain and other countries increased. The spread of home ownership, particularly during the 1980s, increased demand for legal and estate agency services. Business services include advertising, market research, management consultancy, exhibition and conference facilities, computing services and auction houses.

A notable trend is the growth in franchising, an operation in which a company owning the rights to a particular form of

trading licenses them to franchisees, usually by means of an initial payment with continuing royalties. The main areas include cleaning services, film processing, print shops, hairdressing and cosmetics, fitness centres, courier delivery, car rental, engine tuning and servicing, and fast food retailing. It is estimated that franchising's share of total retail sales is over 3 per cent, a figure which is likely to increase.

Technology plays a significant part in the development of services—the computing services industry is one of the fastest-growing sectors of the economy and information technology is widely used in retailing and financial services.

FINANCIAL SERVICES

Historically the financial services industry in Britain has been located in the famous 'Square Mile' in the City of London. This remains broadly the case, even though the markets for financial and related services have grown and diversified greatly. 'The City' refers to a collection of markets and institutions in and around the Square Mile.

This area is noted for having:

- the greatest concentration of banks in the world—responsible for about a fifth of total international bank lending;
- the world's biggest insurance industry—with about one-fifth of the international market;
- one of the world's largest stock exchanges;
- the role of principal international centre for transactions in a large number of commodities; and

- a full range of ancillary and support services—legal, accountancy and management consultancy—which contribute to London's strength as a financial centre.

Banking, finance, insurance, business services and leasing accounted for 18 per cent of Britain's total output in 1991, a share which has risen sharply over the past decade.

Banking, finance and insurance accounted for 12 per cent of all employment at the end of 1991. The net identified overseas receipts of British financial institutions in 1991 were £16,900 million.

Development of Financial Services

The growth in international movements of capital in the 1960s and 1970s mainly took the form of increased bank lending and foreign exchange trading. London became the international centre of this activity, particularly in the eurocurrency markets (see p 268), and the number of overseas banks represented in London is larger than in any other financial centre. During the 1980s, with increasing international competition in financial services and developments in technology, London's securities markets grew rapidly. Edinburgh also developed as a centre for fund management.

Some traditional distinctions between financial institutions have been eroded, so that single firms supply a broader range of services, both in domestic and international markets. Landmarks in the deregulation of Britain's financial services in recent years include:

- the abolition of exchange controls in 1979;
- the ending in 1980 of the supplementary special deposits scheme, which was designed to curb bank lending;
- the abolition in 1981 of the Reserve Asset Ratio requirement, under which banks had to hold 12.5 per cent of their deposits as liquid assets;
- the abolition of hire purchase restrictions in 1982;
- the Building Societies Act 1986 (see p 262); and
- 'Big Bang', also in 1986 (see p 267).

Supervision

Britain's banks and financial institutions are regulated principally under the Financial Services Act 1986, the Building Societies Act 1986 (see p 262) and the Banking Act 1987 (see p 259). Responsibility for this legislation lies with the Treasury and regulation is by the Bank of England, the Building Societies Commission and the Securities and Investments Board (SIB). The SIB is empowered to recognise practitioner-based self-regulating organisations (SROs).

The main provisions of the Financial Services Act came into force in 1988. Under the Act, investment businesses (those dealing in, arranging, managing or giving advice on investments or operating collective investment schemes) require authorisation and are subject to rules on the conduct of business and other rules made under the legislation. Most investment businesses have achieved authorisation by obtaining membership of an SRO. The SROs are:

- the Financial Intermediaries, Managers and Brokers Regulatory Association (FIMBRA), which covers firms such as financial advisers and insurance brokers;
- the Investment Management Regulatory Organisation (IMRO), whose members include merchant banks and pension fund managers with mainly corporate clients;
- the Life Assurance and Unit Trust Regulatory Organisation (LAUTRO); and
- the Securities and Futures Authority (SFA), whose members include member firms of the London Stock Exchange, as well as futures brokers and dealers.

Government responsibility for investigations lies with the Department of Trade and Industry and the Serious Fraud Office. There are strengthened government powers to investigate insider dealing—dealing carried out on the basis of privileged access to relevant information. An agreement

between Britain and the United States to counteract international financial fraud was announced in 1991. It features greater powers of enforcement than previous agreements. Agreements about exchange of information are also in place with Japan and Switzerland. In July 1992 the Basle Committee on Banking Supervision, on which Britain's banking supervisory authorities are represented, issued minimum standards which its members agreed to apply in the supervision of international banking groups and their cross-border establishments. The Government's inquiry into the Bank of Credit and Commerce International (BCCI) is continuing.

Bank of England

The Bank of England was established in 1694 by Act of Parliament and Royal Charter as a corporate body. Its entire capital stock was acquired by the Government in 1946. The Bank acts as banker to the Government, holding its main accounts, managing Britain's reserves of gold and foreign exchange, arranging new government borrowing and managing the stock of its existing debt. The Bank's main objectives are to:

- maintain the value of the nation's money, mainly through policies and market operations agreed with government;
- ensure the soundness of the financial system through the direct supervision of banks and specialised City institutions; and
- promote the efficiency and competitiveness of the financial system.

The Financial Services Act makes the Bank responsible for the supervision of the wholesale money markets in London in sterling, foreign exchange and bullion. The markets are wholesale in the sense that the participants are professional operators dealing in substantial amounts of money.

Under the Banking Act 1987, deposit-taking organisations require authorisation from the Bank of England, unless they are specifically exempted, and are subject to the Bank's supervision. The Act created a Board of Banking Supervision and gives the Bank

powers to modify the conduct of banking institutions, to investigate cases of illegal deposit-taking, block bank mergers and takeovers on prudential grounds and require information from banks. The Act also enables information to be shared, in strictly controlled ways, among supervisors in different financial services, and permits auditors to make reports to the Bank of England about a bank if the circumstances justify it.

As agent for the Government, the Bank is responsible for managing the National Debt, which involves arranging government borrowing and repayment of debt. It also maintains the register of holdings of government securities on behalf of the Treasury and manages the Exchange Equalisation Account (EEA), which holds Britain's official reserves of gold, foreign exchange, Special Drawing Rights (SDRs, which are claims on the International Monetary Fund) and European Currency Units (ECUs). The Bank may intervene in the foreign exchange markets on the Government's behalf, using the resources of the EEA, to check undue fluctuations in the exchange value of sterling.

The Bank is able to influence money-market conditions through its dealings with the discount houses (see p 263), which developed in the nineteenth century as bill brokers for industrialists. The discount houses hold mainly Treasury, local authority and commercial bills, and negotiable certificates of deposit financed by short-term loans from the banks. If on a particular day there is a shortage of cash in the banking system as a result, for example, of large tax payments, the Bank relieves the shortage either by buying bills from the discount houses or by lending directly to them. This permits banks to replenish their cash balances at the Bank by recalling some of their short-term loans to the discount houses. The Bank's dealings with the discount houses give it powerful influence over short-term interest rates.

The Bank of England has the sole right in England and Wales to issue banknotes. The note issue is no longer backed by gold but by government and other securities. Three

Scottish and four Northern Ireland banks also issue notes. These issues, apart from a small amount specified by legislation for each bank, must be fully covered by holdings of Bank of England notes and coinage. Responsibility for the provision of coin lies with the Royal Mint, a government trading fund which became an executive agency in 1990.

Banks and Building Societies

In addition to banks, the chief institutions offering banking services are the building societies and the National Savings Bank. Banks and building societies are broadly covered by the definition of 'credit institutions' used in EC banking legislation. The First Banking Directive, adopted in 1977, established the principle that variations in supervisory practices between member states should be eliminated. The Second Banking Directive, to come into operation at the beginning of 1993, will complete the single European market in banking by establishing mutual recognition of home country authorisation for credit institutions.

A useful distinction can be made between 'retail' and 'wholesale' banking. Retail banking is primarily for personal customers and small businesses. Its main services are cash deposit and withdrawal facilities, and money transmission systems. Competition between the banks and the building societies in providing money transmission services to individuals has increased during the last two decades and is expected to intensify further (see p 262). Building societies can now also offer money transmission services to companies.

Wholesale business involves taking large deposits at higher rates of interest, deploying funds in money-market instruments (see p 267) and making large loans and investments. Nearly all banks in Britain engage in some wholesale activities and some, such as the merchant and overseas banks, centre their business on them. Many such wholesale dealings are conducted on the inter-bank market, that is, between banks themselves.

In February 1992 there were 518 institutions authorised under the Banking Act

1987, including retail banks, merchant banks, branches of overseas banks, discount houses and banking subsidiaries of both banking and non-banking institutions from Britain and overseas. Of these, around 320 were members of the British Bankers' Association, the main representative body for British banks.

Retail Banks

The major retail banks have a significant branch network, offering a full range of financial services to both individuals and companies. Among services generally available are interest-bearing current accounts; deposit accounts; and various kinds of loan arrangements, together with a full range of money transmission facilities increasingly featuring plastic card technology.

The major banks in England and Wales are Barclays, Lloyds, Midland, National Westminster, the TSB Group and Abbey National; and in Scotland the Bank of Scotland and Royal Bank of Scotland. Other important retail banks are the Clydesdale Bank, the Co-operative Bank, the Yorkshire Bank and Girobank. Girobank, previously a subsidiary of the Post Office, was privatised in 1990 and became a subsidiary of the Alliance and Leicester Building Society. Northern Ireland is served by branch networks of four major banking groups.

With the growth of financial services and a relaxation of restrictions on competition among financial institutions, the major banks have diversified their services. They are lending more money for house purchases, and most now own finance houses, leasing and factoring companies, merchant banking, securities dealers, insurance companies, unit trust companies and estate agencies.

The banks offer loan facilities to companies; since the 1970s, they have provided more medium- and long-term loans than they did formerly. They have also become important suppliers of finance for small firms. A loan guarantee scheme is supported by the banks, under which 70 per cent of the value of loans to small companies is guaranteed by the Government. Some banks have set up special subsidiaries to provide venture capital for companies

(see p 266). Most retail banks maintain overseas subsidiaries which may account for a substantial proportion of their business, and are active in eurocurrency markets (see p 268).

The total liabilities/assets of the retail banks amounted to almost £440,000 million in 1992. Of the liabilities, 70 per cent was sterling deposits, 16 per cent other currency deposits, and the remainder items in suspense or transmission, and capital and other funds. Of the £306,500 million of sterling deposits, sight deposits withdrawable on demand constituted 47 per cent and time deposits requiring notice of withdrawal 45 per cent. Certificates of deposit and other short-term instruments accounted for the other 8 per cent. The banks' main liquid assets consist of money at call (mainly short-term loans to discount houses), their holdings of Treasury and other bills, short-dated British government securities and balances at the Bank of England. They also hold a proportion of their assets as portfolio investments (mainly longer-dated British government securities) or trade investments.

At the beginning of 1992 the retail banks operated through some 13,000 branches and sub-branches in Britain. National Westminster had the largest number (2,683), followed by Barclays (2,496), Lloyds (1,929), Midland (1,824), TSB (1,399), the Royal Bank of Scotland (805), Abbey National (683), Bank of Scotland (502), Clydesdale Bank (346), Yorkshire Bank (261) and the Co-operative Bank (107). Around three-quarters of adults in Britain have a current account and over one-third a deposit account.

Payment Systems

The main payment systems are run by three separate companies operating under an umbrella organisation, the Association for Payment Clearing Services (APACS). One covers bulk paper clearings—cheques and credit transfers. A second deals with high-value clearings for same-day settlement, namely the nationwide electronic transfer service Clearing House Automated Payment System (CHAPS) and the cheque-based Town Clearing (which operates only in the

City of London). A third covers the bulk electronic clearing which handles standing orders and direct debits. Membership of each of these clearing companies is open to any bank, building society or other financial institution meeting the criteria for appropriate supervision and volume of transactions.

Plastic Card Technology

All the major retail banks and building societies have substantial networks of automated teller machines or cash dispensers; in all, almost 18,000 machines were in operation at the beginning of 1992.

Automated teller machines give customers access to cash and other services for up to 24 hours a day. Many banks and building societies offer home banking services whereby customers can use telephone or screen-based access devices to obtain account information, make transfers and pay bills.

The banks and major building societies also offer their customers cheque guarantee cards which entitle holders to reciprocal cheque-cashing facilities up to, in most cases, £50 a day, although some cards have higher limits. The cards also guarantee transactions with retailers up to the same amount. Uniform eurocheques supported by a eurocheque card are available from all major banks. These standard-format cheques may be used to obtain cash or make payments in Britain, elsewhere in Europe and in a few other overseas countries. The cheques are made out in the currency of the country in which they are being used, with a guarantee limit of approximately £100 per cheque.

Credit cards issued by major retail banks and building societies are a popular means of payment and are widely accepted throughout Britain. Most cards are affiliated to one of the two major international credit card organisations, Visa and MasterCard. Annual fees on credit cards were introduced in 1990 and the number of cards declined between 1990 and 1991.

Some of the major retail stores issue their own cards, which operate like credit cards. A charge card, like a credit card, enables the holder to make retail payments, but there is

either no credit limit or a very high limit, and the balance must be settled in full on receipt of a monthly statement.

As well as the traditional paper-based systems for making retail payments by credit or charge cards, many stores and garages now provide EFTPOS (electronic funds transfer at point of sale—see p 272) facilities. Using debit cards, payments can be deducted directly from the purchaser's bank account. Most cards are affiliated either to Visa or to the Switch organisation, which is based in Britain.

Building Societies

Building societies are mutual institutions, owned by their savers and borrowers. They raise short-term deposits from savers, who are generally able to withdraw their money on demand or at short notice. The societies make long-term loans, mostly at variable rates of interest, against the security of property—usually private dwellings purchased for owner-occupation.

Building societies are the major lenders for house purchase in Britain and are the principal repository for the personal sector's liquid assets, although banks' shares have increased in both areas since 1985. Some 60 per cent of adults have building society savings accounts. Competition between the building societies and between building societies and other financial institutions has increased in the last decade. A variety of savings schemes have been established, and a growing number of societies provide current account facilities such as cheque books and automated teller machines. In 1992 there were some 3,200 building society automated teller machines, about one-sixth of the total. Two building societies issue credit cards.

In 1992 there were 108 registered societies, of which 90 were members of the Building Societies' Association. Building societies' assets totalled £248,000 million in 1992; about £43,000 million was advanced in new mortgages in the course of 1991. The three largest—the Halifax, Nationwide and Woolwich—account for 47 per cent of the total assets of all building societies and the 20 largest for some 95 per cent. Societies may operate throughout the EC.

The Building Societies Act 1986 allows societies to provide a wider range of services than was possible previously. Up to 17.5 per cent of a society's commercial assets may be used for purposes other than loans on first mortgage of owner-occupied houses, including as much as 7.5 per cent in other types of asset such as unsecured loans. These limits will increase to 25 per cent and 15 per cent respectively in 1993. Directly or through subsidiaries, societies may offer services within the general areas of banking, investment, insurance, trusteeship, executorship and estate agency. However, their main business will continue to be financial and housing-related services.

The 1986 Act established the Building Societies Commission to carry out the prudential supervision of building societies. It also made provision for a society to seek the approval of its members to convert into a public limited company. In this event the society becomes an authorised institution under the Banking Act 1987 (see p 259) and is then supervised by the Bank of England. Abbey National pursued this course and no longer contributes to building society statistics.

The Council of Mortgage Lenders is a trade body established in 1989 for all mortgage lending institutions, including building societies, insurance companies, finance houses and banks.

Merchant Banks

Merchant banks have traditionally been concerned primarily with accepting, or guaranteeing, commercial bills and with sponsoring capital issues on behalf of their customers. Today they undertake a diversified and complex range of activities. They have important roles in equity and debt markets; the provision of expert advice and financial services to industrial companies, especially where mergers, takeovers and other forms of corporate reorganisation are involved; and in the management of investment holdings, including trusts, pensions and other funds. The sector is split between independent houses and those which are part of larger banking groups.

Overseas Banks

A total of 255 banks incorporated overseas were represented in Britain in 1992. Of these, 26 were from the United States and 27 from Japan. Some 78 institutions incorporated in Britain were subsidiaries of overseas companies. They offer a comprehensive banking service in many parts of the world and engage in the financing of trade not only between Britain and other countries but also between third-party countries.

British-based Overseas Banks

A small number of banks have their head offices in Britain, but operate mainly abroad, often specialising in particular regions. Standard Chartered, which is represented in Asia, Africa and the Middle East, is the major example of this type of bank.

Discount Houses

The nine discount houses are specialised institutions unique in their function and central position in the British monetary system. They act as financial intermediaries between the Bank of England and the rest of the banking sector, promoting an orderly flow of short-term funds. They guarantee to tender for the whole of the weekly offer of the Government's Treasury bills, which are instruments to raise funds over a period of up to six months. In return for acting as intermediaries, the discount houses have secured borrowing facilities at the Bank of England, acting as 'lender of last resort'. Assets of the discount houses consist mainly of Treasury and commercial bills, negotiable certificates of deposit and short-term loans. Their liabilities are for the most part short-term deposits.

National Savings Bank

The National Savings Bank is run by the Department for National Savings, a government department. It contributes to government borrowing and aims to encourage saving by offering personal savers a range of investments, designed to meet various requirements. Important products include:

- Savings Certificates, which either pay a fixed rate of interest alone or a lower fixed rate of interest combined with index-linking;
- Premium Bonds, where interest is paid in the form of prizes chosen by lottery;
- Income and Capital Bonds;
- Children's Bonus Bonds, which are designed to accumulate capital sums for those under 21;
- Ordinary and Investment Accounts, where deposits and withdrawals can be made at some 20,000 post offices throughout Britain; and
- FIRST Option Bonds, launched in 1992, which are 'tax-paid' and offer a guaranteed rate of interest that is fixed for one year.

With the exception of FIRST Option Bonds, interest on National Savings products is paid without deduction of tax at source. Certain National Savings products offer tax exempt returns. In some cases the best returns are paid to those who leave their savings untouched for several years. In May 1992 the total amount of money invested in National Savings was over £40,000 million.

Insurance

The British insurance industry provides a service that falls broadly into two parts: long-term life insurance, where contracts may be for periods of many years; and general insurance, including accident and short-term life insurance, where contracts are for a year or less. The London market is the world's leading centre for insurance and for the placement of international reinsurance. It handles an estimated 20 per cent of general insurance business placed on the international market.

In addition to the British companies and Lloyd's (see p 264), a large number of overseas companies are represented, with which many British companies have formed close relationships. Some British companies confine their activities to domestic business but most large companies undertaking general business transact a substantial amount overseas through branches and agencies or affiliated local companies.

Insurance companies carrying on business in Britain are supervised by the Department of Trade and Industry under the Insurance Companies Act 1982. Marketing of life insurance is regulated by the Securities and Investments Board (see p 258).

European Community directives introducing the 'single-licence' system in insurance are due to be in force by July 1994. Life and non-life insurers will be able to operate throughout the EC on the basis of authorisation in their home state.

European Community directives cover aspects of insurance, including reinsurance, compulsory motor insurance, EC co-insurance, insurance intermediaries, freedom of establishment for life and non-life insurance, and freedom to provide cross-border services for non-life risks. A directive on cross-border services for life assurance will come into force in May 1993.

Some 836 companies are authorised to carry on one or more classes of insurance business in Britain, of which 7 per cent are EC companies with their head office outside Britain, and a further 10 per cent are companies established outside the Community. The total invested assets of companies representing about 98 per cent of the British insurance market amounted to nearly £358,000 million in 1991. About 450 companies belong to the Association of British Insurers (ABI). Some companies are mutual institutions, owned by their policy holders. Insurance is also available from certain friendly societies—mutual institutions administered by trustees.

Long-term Insurance

Long-term insurance is handled by 266 companies. As well as providing life cover, long-term insurance is a vehicle for saving and investment by individuals, premiums being invested in securities and other assets. The net long-term insurance premium income of companies representing about 99 per cent of the British market in 1991 was almost £47,000 million from their

worldwide operations, £39,500 million of which was earned in Britain.

General Insurance

General insurance business is undertaken by insurance companies and by Lloyd's. It covers fire, accident, general liability, short-term life, motor, marine, aviation and transport. Total ABI member company premiums worldwide in 1991 were £27,600 million, of which £17,000 million was earned in Britain. Over £9,000 million was for motor insurance worldwide and £1,800 million for marine, aviation and transport insurance. Fire and accident insurance was worth around £16,600 million throughout the world. The bulk of business by ABI companies in the latter categories was written through the Institute of London Underwriters (see p 265).

Lloyd's

Lloyd's, the origins of which go back to the seventeenth century, is an incorporated society of private insurers in London. Although its activities were originally confined to the conduct of marine insurance, a considerable worldwide market for the transaction of other classes of insurance business, such as aviation and motor insurance, has been built up.

Lloyd's is not a company but a market for insurance administered by the Council of Lloyd's. Business is carried out for individual elected underwriting members, or 'names', who must show sufficient available wealth and lodge a deposit. Insurance is transacted for them with unlimited liability, in competition with each other and with insurance companies. In 1992 there were 22,300 members, grouped into 279 syndicates. Each syndicate is managed by an underwriting agent responsible for appointing a professional underwriter to accept insurance risks and settle claims on the syndicate members' behalf. Insurance may only be placed through accredited Lloyd's brokers, who negotiate with Lloyd's syndicates on behalf of the insured.

Lloyd's net premium income in 1989, the

most recent year for which figures are available, was £3,966 million, which can be broken down as follows:

- £596 million for motor insurance;
- £1,326 million for marine insurance;
- £281 million for aviation insurance; and
- £1,762 million for non-marine insurance.

A report published in January 1992, after an investigation into Lloyd's by the Rowland task force, contained proposals that could, if implemented, significantly change the operation of Lloyd's. The proposed reforms include the introduction of limited-liability capital, restructuring of the agency system and the creation of a secondary market for syndicate participation.

Institute of London Underwriters

The Institute of London Underwriters was formed in 1884, originally as a trade association for marine underwriters. It now provides a market where insurance companies transact marine, commercial transport and aviation business. The Institute issues combined policies in its own name which are underwritten by member companies. The premium income processed by the Institute in 1991 was some £2,210 million. About half of the 101 member companies are branches or subsidiaries of overseas companies.

Insurance Brokers

Insurance brokers, acting on behalf of the insured, are a valuable part of the company market and play an essential role in the Lloyd's market. Many brokers specialise in reinsurance business, serving as intermediaries in the exchange of contracts between companies, both British and overseas, and often acting as London representatives of the latter. The Insurance Brokers (Registration) Act 1977 makes provision for the voluntary registration and regulation of insurance brokers by the Insurance Brokers Registration Council. Only those registered with the Council can use the title 'insurance broker'. In 1992 some 13,600

individuals were registered with the Council, through 2,195 partnerships or sole traderships and 2,885 limited companies.

Investment Funds

Pension Funds

Virtually all occupational pension schemes are based on trust law. Benefits are funded in advance by employer (and wholly employee) contributions, which are held and invested by trustees on behalf of beneficiaries. Pension funds are major investors in securities markets. Total pension fund assets were worth more than £300,000 million in 1992 and pension funds held around 40 per cent of securities listed on the London Stock Exchange. Since 1986, members of occupational pension schemes have been able to opt out and set up a personal pension scheme. Over 11 million people belong to occupational pension schemes and more than 4 million to personal pension schemes.

In July 1992 the Government announced the establishment of an independent committee to review the legal and regulatory framework for occupational pension schemes.

Investment and Unit Trusts

An approved investment trust is a collective investment facility, structured as a company with fixed capital and quoted on the London Stock Exchange. It must invest mostly in securities, and the trust itself is exempt from capital gains tax. Its assets are purchased mainly out of the capital subscribed by shareholders but investment trusts are also allowed to borrow funds to invest. The shares of investment trust companies are traded in the normal way on the Stock Exchange. There are around 210 members of the Association of Investment Trust Companies, with some £23,000 million worth of assets under management in 1992.

Authorised unit trusts are forms of open-ended mutual or pooled investment funds which are regulated by the Securities and Investments Board. As with investment trusts, investors with relatively small amounts

to invest are able to benefit from diversified and expertly managed portfolios. Unit trusts are exempt from capital gains tax. Investors in unit trusts buy units, the supply and demand for which is met by selling or buying the underlying assets.

The British industry has grown rapidly during the last decade and in 1992 there were about 14,000 authorised unit trusts, with total holdings approaching £60,000 million. As a result of an EC directive, cross-border marketing of mutual funds in Europe has been possible since 1989. Unit trust management groups are represented by the Unit Trust Association.

Special Financing Institutions

There are many specialised institutions offering finance to personal and corporate sector borrowers. These borrowers are found in both the public and the private sectors. Among public sector agencies are Scottish Enterprise, Highlands and Islands Enterprise, the Welsh Development Agency, the Industrial Development Board for Northern Ireland and ECGD (Export Credits Guarantee Department—Britain's official export credit insurer). The part of ECGD that handled the export of capital goods sold on short-term credit was privatised in 1991 and is now dealt with by NCM Credit Insurance.

Some private sector institutions were set up with government support and with financing from banks and other financial institutions. They may offer loan finance or equity capital. The main private sector institutions are described below.

Finance and Leasing Companies

At the beginning of 1992 the Finance Houses Association and the Equipment Leasing Association together formed a single new representative body, the Finance and Leasing Association (FLA), which represents the interests of companies offering motor finance, consumer credit, and business finance and leasing. The FLA expects its 105 members to undertake £30,000 million of new business in 1992, which would represent over 30 per cent of all British fixed investment in equipment

and more than 80 per cent of all credit apart from lending by the clearing banks and building societies. The FLA also has 32 associate members.

Factoring Companies

Factoring comprises a range of financial services which provide growing companies with a flexible source of finance in exchange for the outstanding invoices due to them. Factoring has developed as a major financial service since the early 1960s, covering international activities as well as domestic trade. Member companies of the Association of British Factors and Discounters handled business worth £14,200 million in 1991, 47 per cent of which was undertaken for clients in manufacturing industry, 29 per cent for clients in distribution and 17 per cent for clients in the services sector.

Venture Capital Companies

Venture capital companies offer medium- and long-term equity financing for new and developing businesses when such funds are not easily or directly available from traditional sources, like the stock market or banks. The 114 full members of the British Venture Capital Association make up some 98 per cent of Britain's venture capital industry. Many venture capital companies are subsidiaries of other financial institutions, including banks, insurance companies and pension funds.

Britain's venture capital industry invested £1,150 million in Britain, elsewhere in Europe, and in the United States in 1991.

The largest of Britain's venture capital companies, 3i, supports investment programmes over a whole range of industries. Within the last few years it has become involved in financing management 'buy-outs'—the purchase of businesses from their owners by the management and other staff. The shares in 3i are currently owned by the Bank of England (15 per cent) and six of the major retail banks.

Financial Markets

The City of London has a variety of financial markets. They include the London Stock Exchange, the foreign exchange market, the financial futures and options market, eurobond and eurocurrency markets, Lloyd's insurance market (see p 264), and bullion and commodity markets.

London Stock Exchange

The London Stock Exchange has its main administrative centre in London, as well as centres in Belfast, Birmingham, Leeds, Glasgow and Manchester. As a result of a set of reforms implemented in 1986 and known popularly as 'Big Bang', the Exchange has changed radically in recent years. The main reforms were as follows:

- the Exchange's rules on membership were altered to allow corporate ownership of member firms;
- the system under which dealers charged fixed minimum scales of commission to investors was abolished in favour of negotiated commissions;
- dealers were permitted to trade in securities both on their own behalf, as principals, and on behalf of clients, as agents, these two roles formerly having been kept distinct; and
- a screen-based dealing system came into operation, which led to the closing of the trading floor.

The London Stock Exchange is one of the largest in the world in terms of the number and variety of securities listed. Its turnover of equities in 1991 accounted for 9 per cent of equity trading worldwide. Some 7,300 securities are quoted; in 1992 these had a market value of almost £2,055,000 million. Nearly 4,700 company securities are quoted, including those of a growing number of leading overseas companies, with a value of some £1,770,000 million. The remainder is made up of British and overseas government and corporation stocks as well as eurobonds (see p 268).

In recent years the largest market for new issues has been that for companies' securities,

including issues of shares resulting from the Government's privatisation programme. Trading in British government securities—'gilt-edged stocks'—in 1991 accounted for about three-fifths of transactions by value (excluding traded options). New issues are made on the Government's behalf by the Bank of England when required.

European Community Directives

The London Stock Exchange altered its rules in 1990 to conform to EC directives on listing particulars, prospectuses and mutual recognition. The major effect of the EC directive on Mutual Recognition of Listing Particulars is that, subject to certain limitations, each member state is required to recognise listing particulars accepted in another member state. In order to put British companies on an equal footing with those in other EC countries, the Exchange reduced the minimum trading record requirement for full listing from five years to three. At the same time the corresponding requirement for the Unlisted Securities Market, on which the securities of smaller companies are quoted, was reduced from three years to two.

Money Markets

The London money markets are a series of parallel markets in wholesale funds, usually short-term in maturity. They include:

- the interbank deposit market, in which banks place and take unsecured deposits for maturities from overnight to as long as 12 months, frequently through specialist broking firms;
- the secured deposit market, in which only the main banks and discount houses operate;
- the market in certificates of deposit issued by banks and building societies;
- the market in Treasury bills, short-term claims on government which can be issued for up to one year but in practice are only issued at three- and six-month maturities;
- a market in local authority bills; and

- a market in bank bills, namely commercial bills accepted by banks.

In addition to these 'cash' markets, there are also markets in futures (contracts covering transactions in financial instruments or physical commodities for future delivery on an exchange) and options (which feature the right to buy or sell shares or property within a stated period at a predetermined price), swaps and options on futures.

The major participants in money markets are banks, which are supervised by the Bank of England in accordance with the Banking Act 1986. Under the Financial Services Act 1986 the Bank is responsible for regulating certain other market participants and has developed a code of conduct which is observed by all market participants.

Capital markets have been undergoing continuous transformation since the 1960s (see p 258). Throughout the 1980s a trend towards the 'securitisation of debt' developed—major borrowers increasingly raised funds by issuing securities instead of seeking bank loans. In 1986 large companies were permitted to develop a sterling commercial paper market: this consisted initially of issues of short-term debt denominated in sterling with a maturity of up to one year. Since 1989 the sterling commercial paper and the short-term corporate bond markets have been consolidated. The range of issuers has been broadened since 1986 to include, for example, banks and building societies, and overseas public authorities. The market now enables such bodies to borrow directly from the money market by issuing short-term debt of up to five years' maturity.

Euromarkets

These are markets in currencies lent or invested outside their domestic marketplace, particularly as a means of financing international trade and investment. Transactions can thus be carried out in eurodollars, eurodeutschmarks, euroyen and so on. London is at the heart of the euromarkets and houses most of the major international banks and securities firms.

The euromarkets developed in the late

1950s following the restoration of convertibility between the major currencies, partly to avoid incurring the costs of exchange control and other regulations. In recent years distinctions between markets have been breaking down and the euromarkets form a major part of the wider international money and capital markets. Participants in the markets include multinational trading corporations, financial companies and governments.

Securities markets have grown considerably in recent years as flexible alternatives to bank loans. These include euro-commercial paper and euro-medium-term notes and eurobonds. In the last few years a market in internationally syndicated equities has grown up. Banks continue to lend internationally, both bilaterally and through syndicates as part of the euro-syndicated loans market.

Foreign Exchange Market

London's foreign exchange market has no physical centre, but consists of telephone and electronic links between the participants, which include banks, other financial institutions and several firms of foreign exchange brokers acting as intermediaries between the banks. It provides those engaged in international trade and investment with foreign currencies for their transactions. The banks are in close contact with financial centres abroad and are able to quote buying and selling rates for both immediate ('spot') and forward transactions in a range of currencies and maturities. The forward market enables traders and dealers who, at a given date in the future, wish to receive or make a specific foreign currency payment, to contract in advance to sell or buy the foreign currency involved for sterling at a fixed exchange rate.

London has the largest foreign exchange market in the world, with an average daily turnover of about \$200,000 million.

There is a growing private sector market in European Currency Units (ECUs),

particularly in ECU-denominated deposits, securities and eurobonds.

Financial Futures and Options

Over 200 banks, other financial institutions, brokers and individual traders are members of the London International Financial Futures and Options Exchange (LIFFE), which trades at the Cannon Bridge development. Futures markets allow parties that are affected by movements in prices, interest rates or exchange rates to adjust their exposure to the underlying market. Futures contracts are legally binding documents for the purchase or sale of a fixed amount of a commodity, at a price agreed in the present, on a specified future date, thereby facilitating the transfer of risk between two parties.

The London Traded Options Market, previously part of the London Stock Exchange, merged with the London International Financial Futures Exchange in March 1992. Trading is in 68 equity options on the equity of prominent British companies and in stock index options.

LIFFE has the most internationally diverse range of financial futures and options products of any exchange in the world. In the first seven months of 1992 some 39,700 million futures and options contracts were traded—more than in the whole of 1991. In July 1992 some 322,000 contracts were traded daily on average, representing a daily turnover of £74,000 million.

London Bullion Market

Over 60 banks, securities and trading companies comprise the London gold and silver markets which, like the foreign exchange market, trade by telephone and telex links. Five of the members of the London Bullion Market Association meet twice daily to establish a London fixing price for gold—a reference point for worldwide dealings. The silver fixing is held once a day. Although much interest centres upon the fixings, active dealing takes place throughout the day. London and Zurich are the main world centres for gold dealings.

Commodity, Shipping and Freight Markets

Britain remains the principal international centre for transactions in a large number of commodities, although most of the sales negotiated in London relate to consignments which never pass through the ports of Britain. The need for close links with sources of finance and with shipping and insurance services often determined the location of these markets in the City of London. There are also futures markets in cocoa, coffee, grains (wheat and barley), potatoes, soya bean meal, sugar and pigs at London Fox (the Futures and Options Exchange); non-ferrous metals (aluminium, copper, lead, nickel, silver and zinc) at the London Metal Exchange; and gas oil (heating oil) and unleaded gasoline at the International Petroleum Exchange.

Members of London's Baltic Exchange are involved in over half of the world's international ship chartering business and a freight futures market is in operation at London Fox.

OTHER SERVICES

Distribution

Distributing goods to their point of sale by road, rail, air and sea is a significant economic activity. In 1991 there were some 3.4 million employees in the distributive and allied trades in Great Britain. The sector accounts for about a sixth of national income. The large retailers and wholesalers of food, drink and clothing operate their own extensive distribution networks using fleets of trailers, vans and lorries. Also notable is the highly competitive specialist express delivery sector.

Wholesaling

There were 119,000 businesses, with a turnover valued at £222,100 million (see Table 14.1), engaged in wholesaling and dealing in Great Britain in 1989. Total turnover had increased by 8 per cent between 1988 and 1989.

In the food and drink trade almost all

Table 14.1: Wholesale Trade in Great Britain 1989^a

	Number of businesses	Turnover ^b (£ million)
Food and drink	16,903	46,000
Petroleum products	948	18,937
Clothing, furs, textiles and footwear	10,229	9,226
Coal and oil merchants	3,336	2,283
Builders' merchants	4,425	9,021
Agricultural supplies and livestock dealing	3,183	8,083
Industrial materials	6,055	30,842
Scrap and waste products	3,837	3,459
Industrial and agricultural machinery	8,540	15,743
Operational leasing	2,794	3,236
Other goods	58,478	75,305
Total wholesaling and dealing	118,727	222,135

Source: *Business Monitor SDA26. Wholesaling, 1989.*

^aFigures cover businesses registered for value added tax with an annual turnover of £149,000 or more and are grossed up to include those not surveyed.

^bExcludes value added tax.

Note: Differences between totals and the sums of their component parts are due to rounding.

large retailers have their own buying and central distribution operations. Elsewhere in the trade, voluntary groups have been formed by wholesalers and small independent retailers; the retailers are encouraged by discounts and other incentives to buy as much as possible from the wholesaler. This has helped to preserve many smaller retail outlets, including the traditional 'corner shops' and village stores, and has given small retailers the advantages of bulk buying and co-ordinated distribution.

London's wholesale markets play a significant part in the distribution of foodstuffs. New Covent Garden is the main market for fruit and vegetables, Smithfield for meat and Billingsgate for fish.

The co-operative movement has its own wholesale organisation, the Co-operative Wholesale Society (CWS). Retail co-operative societies are encouraged to buy from the CWS, which is their main supplier. The CWS is also a major retailer in Scotland, Northern Ireland, the Midlands and south-east and north-east England.

Retailing

Of the 25 largest retailers in Western Europe (by sales in the period 1988–90), ten were British firms. In 1989 there were 242,000

retail businesses, with 350,000 outlets, in Great Britain (see Table 14.2). In recent years the large multiple retailers have grown in size, reducing numbers of stores but increasing outlet size and diversifying their product ranges. Decline has been particularly evident among small independent businesses and retail co-operative societies.

The largest multiple retailers in the grocery market are Sainsbury, Tesco, Safeway, Asda and Gateway. These five groups are responsible for around £27,000 million of grocery sales a year. Among retailers, these companies are generally the ones that have best weathered the recession that has affected Britain since 1990.

Retail co-operative societies are voluntary organisations controlled by their members, membership being open to anyone paying a small deposit on a minimum share. There are 4,700 retail co-operative outlets, 64 per cent of which sell food and groceries.

The leading mixed retail businesses include Marks & Spencer, Boots, Kingfisher, Storehouse, W. H. Smith, Argos, Littlewoods, Savacentre, John Menzies, Sears, Burton Group and House of Fraser.

About 20 million people regularly purchase all kinds of goods and services through mail order catalogues. In 1991 sales by general mail order totalled some £3,560

million, representing nearly 3 per cent of all retail sales. The largest selling items sold by the mail order companies are clothing, footwear, furniture, household textiles, televisions, radios and electrical goods.

Large Shopping Centres

Britain has a wide range of complementary shopping facilities inside and outside town and city centres. One of the most significant trends in retailing is towards the development of large supermarkets and superstores in order to increase efficiency and the range of goods available. However, the nine largest multiple retailers have only around one-quarter of retail turnover, partly because there continues to be a demand for the services provided by small, specialised shops.

The main multiple grocery companies have been steadily increasing the size of their stores both in towns and cities and on suburban and out-of-town sites. Also, retailers of goods such as do-it-yourself (DIY) products, furniture and electrical appliances have built retail warehouses outside town and

city centres, particularly to attract shoppers with cars. More recently, there has been a trend towards the grouping of retail warehouses into retail warehouse parks. Many towns and cities have purpose-built shopping centres.

A number of regional out-of-town shopping centres have been established on sites offering good access to large numbers of customers with cars. One of the first centres was the Metro Centre at Gateshead, Tyne and Wear, which has over 93,000 sq m (1 million sq ft) of floorspace and is the largest of its kind in Europe. Other centres include the Meadowhall shopping centre in Sheffield and the Lakeside centre at Thurrock in Essex, both opened in 1990.

All new retail development requires planning permission from the local government planning authority. These authorities must consult the appropriate central government department before granting permission for developments of 23,325 sq m (250,000 sq ft) or more. The Government's policy is to encourage the provision of a broad range of shopping

Table 14.2: Retail Trade in Great Britain 1989^a

	Number of businesses	Number of outlets	Number of people engaged ('000s)	Turnover ^b (£ million)
Single-outlet retailers	215,736	215,736	837	33,551
Small multiple retailers	25,726	67,760	318	14,541
Large multiple retailers (ten or more retail outlets)	894	66,520	1,307	75,464
Food retailers	67,849	90,075	845	43,562
Drink, confectionery and tobacco retailers	48,744	61,641	328	12,061
Clothing, footwear and leather goods retailers	31,429	58,538	304	12,252
Household goods retailers	48,735	69,599	319	20,371
Other non-food retailers	39,156	52,543	248	11,323
Mixed retail businesses	4,149	11,542	383	22,704
Hire and repair businesses	2,294	6,079	35	1,283
Total retail trade	242,356	350,015	2,463	123,556

Source: *Business Monitor SDA25. Retailing, 1989.*

^a Figures cover businesses registered for value added tax; it is estimated that the total number of retail businesses too small to register for value added tax is about 30,000, but these businesses account for no more than 0.5 per cent of total retail turnover.

^b Includes value added tax.

Note: Differences between totals and the sums of their component parts are due to rounding.

facilities to the public, while ensuring that the effects of major new retail development do not undermine the viability and vitality of existing town centres.

Diversification

Many of the large multiple groups sell a much greater number of goods and services than previously. However, in some cases extensive diversification has proved unprofitable and large food retailers are increasing their range of foods instead. More emphasis is also being placed on selling own-label goods and environmentally friendly products, including organic produce. Many superstores and large supermarkets offer fresh food, such as fresh meat, fish, vegetables and bread baked on the premises, as well as selling packaged foods. Some large retailers have in recent years begun to provide financial and estate agency services.

Promotions

Retailers are placing greater emphasis on price competition and quality as a means of promoting sales. Some large retailers have issued their own credit cards for regular customers in an attempt to encourage sales, particularly of high-value goods.

Use of Technology

Laser-scanning electronic checkouts are having a major impact on British retailing. Bar-codes on retail products are scanned at the checkout to generate a price and to give the store instant information about the depletion of its stock. Electronic data interchange (EDI) allows data such as that contained in invoices and orders to be transmitted electronically, rather than printing and posting a paper document. A legal change permitting tax invoices in forms other than paper has made it easier for retailers to use EDI when dealing with their suppliers.

Electronic ordering, pricing and delivery systems are used increasingly, even by small independent retailers. High-speed labelling

techniques are being adopted, including the use of electronic printers which can overprint labels, and of pressure-sensitive glues and printing in foil instead of ink.

Nearly 200,000 EFTPOS terminals in retail outlets allow shoppers to pay for goods using a debit card to transfer funds electronically.

Several major EFTPOS schemes are well established, and the number of terminals is growing quickly. In many cases the terminals are integrated with retailers' in-house computer systems.

Vehicle and Petrol Retailing

In 1991 there were 264,000 people employed in the retail distribution of motor vehicles and parts, and in petrol stations. Many businesses selling new vehicles are franchised by the motor manufacturers.

Over one-third of the 19,247 petrol stations are owned by oil companies. The three companies with the largest number of outlets in 1991 were Shell (2,587), Esso (2,470) and BP (1,922). Unleaded petrol accounts for about two-fifths of petrol sold. The majority of petrol stations are self-service. About 16,000 outlets sell diesel fuel.

Hotels and Catering

The hotel and catering trades employed some 1.25 million people in Great Britain at the end of 1991:

- 334,000 in public houses and bars;
- 310,000 in restaurants, cafés and snack bars;
- 301,000 in hotels and other residential establishments;
- 162,000 in canteens; and
- 145,000 in clubs.

A large number of self-employed people also work in hotels and catering.

There were about 29,600 hotels in Great Britain in 1991, with a turnover of £6,200 million. Many licensed hotels as well as most of the numerous guest houses have fewer

than 20 rooms. Of the major hotel business groups, the biggest is Forte, which runs 721 hotels, including 338 in Britain, and has catering and leisure interests. Among the largest firms running holiday centres (including holiday camps with full board, self-catering centres and caravan parks) are Butlins, Warner Holidays and Pontin's. Britain has a very wide range of restaurants, offering cuisine from virtually every country in the world. The Food Safety Act 1990 has contributed to a raising of food safety standards, as has the application of the relevant British standard on quality.

In 1991 there were about 83,500 public houses (pubs), which mainly sell beer, wines, soft drinks and spirits for consumption on the premises. Many pubs are owned by the large brewing companies, which either provide managers to run them or offer tenancy agreements; others, called free houses, are independently owned and managed. The Government has acted to strengthen competition in the sale of beer and other drinks in pubs.

Advertising

Advertising expenditure in 1991 amounted to £7,577 million. The press accounted for 64 per cent of the total, television for 30 per cent, posters for nearly 4 per cent, and commercial radio and cinema for the rest. The largest advertising expenditure is on food, retail and mail order services, cars, financial services, household goods, drink and leisure equipment. Campaigns are planned mainly by several hundred advertising agencies which, in some cases, offer marketing, consumer research and other services.

Computing Services

The computing services industry comprises software houses, production of packaged software, consultancy, facilities management, processing services, and the provision of complete computer systems. It also includes companies providing information technology education and training, independent maintenance, contingency planning and

recruitment, and contract staff. The industry is one of the fastest growing sectors of the British economy.

The turnover of companies in the Computing Services Association totalled almost £4,000 million in 1991, representing some 75 per cent of the industry in Britain. Important areas for software development include data and word processing, telecommunications, computer-aided design and manufacturing, defence and consumer electronics. The financial services sector is a major user of computer services. Logica, a leading British systems company and consultancy, developed systems for the 'Lloydslink' service that enables Lloyds Bank's corporate customers to conduct banking business using their personal computers.

Management Consultancy

There are about 14,000 management consultants, of whom 3,750 are individual practising members of the Institute of Management Consultants. Among the largest management consultancy companies are the 33 member firms of the Management Consultancies Association, with revenue earned within Britain totalling £850 million, and overseas revenue amounting to almost £110 million in 1991. The Association reports a growing demand for the application of information technology to all aspects of business. The Association's members account for around 60 per cent of Britain's fee-paying management consultancy market.

Market Research

Market research is a well-established sector of the marketing services industry in Britain. Britain accounts for about 10 per cent of worldwide expenditure, and spends more on market research, per head, than any other European country.

The Association of Market Survey Organisations (AMSO) is the main trade organisation. AMSO's member companies carry out over two-thirds of all commercial market research in Britain. In 1991 they accounted for total research revenues of £265

million—a growth in revenues of just under 2 per cent since 1990. Research revenues come from a large range of clients and industries.

Exhibition and Conference Centres

Britain is one of the world's three leading countries for international conferences (the others being the United States and France). With the steady increase in new and renovated facilities, some 95 towns and cities now have facilities for conferences and exhibitions.

Among the most modern purpose-built conference and exhibition centres are the International Conference Centre in Birmingham and the Queen Elizabeth II and Olympia Conference Centres, both in London. Others are situated in Brighton (East Sussex), Harrogate (North Yorkshire), Bournemouth (Dorset), Cardiff, Birmingham, Manchester, Nottingham and Torquay. In Scotland, both Glasgow and Aberdeen have exhibition and conference centres. Other large exhibition facilities are situated in London at the Barbican, Earls Court/Olympia, Alexandra Palace and Wembley Arena.

Many of the larger sites belong to a marketing group, the British Conference and Exhibition Centres Export Council.

Auction Houses

Britain's chief auction houses are active in the international auction markets for works of art, trading on their acknowledged expertise as well as that of British dealers. The two largest houses, Sotheby's and Christie's, are established worldwide. Sotheby's handled sales valued at nearly £639 million in 1991, while Christie's sales were valued at £103 million.

Tourism and Travel

Tourism is one of Britain's most important industries and is a major source of employment. It is estimated that nearly 1.5 million people are employed in the tourism industry in Britain.

In 1990 over 18 million overseas visitors came to Britain and spent nearly £7,800 million. Total spending on tourism in Britain amounted to over £25,000 million in 1990. British residents made 31 million trips abroad and spent £9,900 million, giving a deficit on the travel account of £2,100 million. Fifty-nine per cent of overseas visitors to Britain came from Western Europe and 21 per cent from North America. Eighty-three per cent of trips abroad by British visitors were to Western Europe.

Although the number of overseas visitors to Britain fell by 8 per cent in 1991, to 16.7 million, due to the recession and the aftermath of the Gulf War, it is thought that earnings from tourism will continue to increase. The number of overseas visitors to Britain is forecast to rise by an average of around 5 per cent each year to 1996.

Some 90 per cent of travel agencies belong to the Association of British Travel Agents (ABTA). Although most travel agents are small businesses, there are a few large firms—such as Lunn Poly and Thomas Cook—which have hundreds of branches. Computerised information and booking systems are used extensively in travel agencies. There are also 660 tour operator members of ABTA; about half are both retail agents and tour operators.

ABTA operates financial protection schemes to safeguard its members' customers, maintains codes of conduct drawn up with the Office of Fair Trading, and offers a free consumer affairs service to help to resolve complaints against members and an independent arbitration scheme for tour operators' customers.

Tourist Authorities

Tourism falls under the remit of the Department of National Heritage. Government support is made available by the British Tourist Authority (BTA) and the tourist boards for England, Scotland, Wales and Northern Ireland. The BTA promotes overseas tourism to Britain and is represented in 32 countries. The tourist boards improve and promote facilities for tourism in each area. The English Tourist Board (ETB)

works closely with 12 regional tourist boards, which are responsible for the planning, development and marketing of tourism in their areas. Each board is a partnership between the ETB, local government and trade interests in their region.

Some 17,000 hotels and other serviced accommodation are inspected and classified by the tourist boards. The various classifications—'listed' and one to five crowns—indicate the range of facilities and

services provided. Quality standards are indicated by the terms 'Approved', 'Commended', 'Highly Commended' and 'De Luxe'. A similar arrangement applies to self-catering holiday homes. There is also a 'Q' quality grading scheme for caravans, chalets and camping parks. Information on tourist facilities and accommodation is available from official tourist information centres, most of which are administered by local government.

15 Energy and Natural Resources

Energy and non-fuel minerals make an important contribution to the British economy. The approximate value of minerals produced in 1990 was £16,803 million (representing just over 4 per cent of gross domestic product—GDP), of which crude oil accounted for 48 per cent, coal 23 per cent and natural gas 15 per cent.

Minerals in Great Britain are mainly privately owned, with the exception of gold, silver, oil and natural gas (which are owned by the Crown), and coal and some minerals associated with coal. In Northern Ireland gold and silver are owned by the Crown, while rights to exploit petroleum and other minerals are vested in the Department of Economic Development.

On the United Kingdom Continental Shelf the right to exploit all minerals except coal is vested in the Crown.

The exclusive right to extract coal, or license others to do so, both on land in Great Britain and under the sea, is vested in the British Coal Corporation. Normally, ownership of minerals belongs to the owner of the land surface, but in some areas, particularly those with a long history of mining, these rights have become separated. Mining and quarrying, apart from deep coalmining, are usually carried out by privately owned companies.

Energy Resources

Britain has the largest energy resources of any country in the European Community and is a major world producer of oil, natural gas and coal—called primary sources. The other main primary sources are nuclear power and some water power; secondary sources (derived from primary sources) are electricity, coke and smokeless fuels, and petroleum products. In 1991 Britain was a small net

importer of energy, amounting to 13.8 million tonnes of oil equivalent. In financial terms, however, the higher value of its exports meant that it was a net exporter of energy, to the value of £104 million. There are large reserves of coal, which is expected to continue to supply a significant proportion of the country's energy needs. Nuclear power provided about 21 per cent of electricity supplied by the British electricity companies in 1991.

Private sector companies carry out offshore oil and gas production and oil refining, while a publicly owned body is at present responsible for most coal production. The electricity supply industry in Great Britain, apart from nuclear power, has been privatised. The privatisation of the electricity supply industry in Northern Ireland is in progress.

ENERGY POLICY

In 1992 the functions of the former Department of Energy were transferred to the Department of Trade and Industry, with the exception of energy efficiency, which was transferred to the Department of the Environment. The President of the Board of Trade and the Secretary of State for the Environment are thus responsible for energy matters in Great Britain, except for electricity in Scotland, which is under the Secretary of State for Scotland. The Secretary of State for Northern Ireland is responsible for all energy matters there.

Energy policy is designed to ensure the secure, adequate and economic provision of energy to meet Britain's requirements. The Government encourages the exploitation of Britain's diverse energy sources. It seeks to ensure that all economic forms of energy are produced, supplied and used as efficiently as

possible, having regard also to the international application and environmental implications of the technologies involved.

Central government spending on energy is planned to decline by over 50 per cent between 1991-92 and 1994-95, with an increasing share of expenditure directed at non-nuclear items and at energy efficiency.

The Government stresses the importance of the continued profitable development of Britain's oil and gas resources, the development of a competitive coal industry, the safe and economic development of nuclear power, and the most cost-effective use of energy through the adoption of energy efficiency measures. It also funds an extensive research and development programme into renewable sources of energy.

Privatisation

Privatisation has already had an impact in the energy field, with the transfer of British Gas, Britoil, Enterprise Oil, and the non-nuclear electricity supply industry in Britain to the private sector. The Government has announced plans to privatise the coal industry. It considers that privatised industries improve their competitiveness and efficiency, free of government pressures, and attract new investment to provide cheaper and cleaner energy. The Competition and Service (Utilities) Act 1992 aims to give customers of privatised utilities fair treatment and strengthens the powers of regulators. Customers are to be compensated when standards are not met and greater competition introduced into the gas industry.

International Commitments

Britain is actively engaged in international collaboration on energy questions, notably through its membership of the European Community and of the International Energy Agency (IEA; a body with 23 member countries attached to the Organisation for Economic Co-operation and Development). In 1990 the European Community introduced the THERMIE scheme for the promotion of energy technology, including support for demonstration projects in the hydrocarbons sector.

European Energy Charter

In 1991 Britain (along with other member states of the Community and European Free Trade Association, eastern European countries, the republics of the former Soviet Union, the United States, Japan, Australia and Canada) signed the European Energy Charter. Associated legally binding agreements are currently under negotiation. The main objectives are:

- an open competitive market for trade in energy, including a framework for investment promotion and protection;
- co-operation in the energy field, through, for example, co-ordination of energy policies and mutual exchange of technical data; and
- promotion of energy efficiency and environmental protection, including the use of new and renewable sources of energy.

Table 15.1: Inland Energy Consumption (in terms of primary sources)

	<i>million tonnes oil equivalent</i>				
	1981	1986	1989	1990	1991
Oil	65.2	66.2	69.5	71.3	71.1
Coal	69.6	66.8	63.6	63.8	63.3
Natural gas	42.4	49.2	47.4	49.0	52.8
Nuclear energy	8.0	12.5	15.2	14.2	15.2
Hydro-electric power	1.4	1.4	1.4	1.6	1.4
Net imports of electricity	—	3.1	3.0	2.9	3.9
Total	186.6	199.2	200.2	202.7	207.7

Source: Department of Trade and Industry.

Note: Differences between totals and the sums of their component parts are due to rounding.

ENERGY CONSUMPTION

During 1980–91, when Britain's GDP rose by 25 per cent, final energy consumption on a 'heat supplied' basis increased by only 8.4 per cent. Energy consumption by final users in 1991 amounted to 61,302 million therms¹ on a 'heat supplied' basis, of which transport consumed 31 per cent, industrial users 26 per cent, domestic users 29 per cent, and commerce, agriculture and public services 13 per cent.

ENERGY EFFICIENCY

The Energy Efficiency Office (EEO), established in 1983 and part of the Department of the Environment, provides a wide range of services and programmes designed to encourage cost-effective energy efficiency improvements. The EEO promotes its programmes through a restructured and strengthened network of regional energy efficiency officers. Since 1983, EEO programmes have cost some £190 million and have led to savings now worth over £500 million a year. The EEO's budget for 1992–93 is £59 million.

Consumers in Britain spent £49,000 million (including taxes) on energy in 1990—9 per cent of GDP. Of this amount the EEO estimates that about 20 per cent could have been saved if consumers had invested in cost-effective energy efficiency measures. The Government stresses that improved energy efficiency not only saves valuable energy resources, but also has a significant role to play in achieving the Government's environmental objectives.

All major government departments and English health authorities have been set a target to reduce energy consumption by 15 per cent over five years. Energy efficiency in local authorities and schools is also being promoted.

The EEO's main technical information

transfer and research and development programme, 'Best Practice', aims to advance and spread good practice in energy efficiency by providing energy users, building professionals and those responsible for industrial production with a wide range of advice and information. Work under the Best Practice programme is managed by the Energy Technology Support Unit (ETSU; for industry) and the Building Research Energy Conservation Support Unit (BRECSU; for buildings). The aim of the Best Practice programme is to stimulate additional savings of £700 million a year at 1992 prices by the year 2000.

The EEO promotes the wider use of Combined Heat and Power (CHP) technology, primarily through the Best Practice programme. CHP plant produces usable heat as well as electricity, making it significantly more efficient than conventional energy options. This can lead to substantial energy cost savings and also makes CHP an environmentally friendly technology. CHP is operated on over 600 sites in Britain. It has a total installed capacity of some 2,000 megawatts (MW).² This accounts for about 3 per cent of electricity generated.

The Energy Management Assistance Scheme aims to help companies with 500 employees or fewer to invest in energy efficiency. The budget is £13 million over three years. Assistance is limited to costs incurred by consultants hired by the client. An organisation may make only one application during each financial year. There is an upper limit on grants of £25,000 for organisations employing between 300 and 500 people.

The EEO's Home Energy Efficiency Scheme provides grants for draughtproofing, insulation of lofts, tanks and pipes, and energy efficiency advice to low-income households in both public and private sector housing. Its main aim is to boost the adoption of these basic measures. Householders are eligible if they receive income support, housing benefit, disability working allowance, family credit or community charge support.

¹ 1 therm = 105,506 kilojoules.

² 1 MW = 1,000 kilowatts (kW).

In 1991 the EEO launched a three-year, £10 million, advertising and publicity campaign, called 'Helping the Earth Begins at Home', to improve understanding of the greenhouse effect and the impact of domestic energy use on the environment.

The EEO has also launched a promotional campaign, 'Making a Corporate Commitment', aimed at directors. It is designed to motivate industrial, commercial and public sector organisations to make a corporate commitment to responsible energy management.

The Government's Energy Efficiency Demonstration Programme funds over 70 schemes to improve energy efficiency and reduce carbon dioxide (CO₂) emissions from council houses in England. Some £50 million is available in 1992-93.

In 1992 the Government, British Gas and the regional electricity companies in England and Wales agreed to establish an Energy Saving Trust to develop programmes to promote the efficient use of energy.

Britain has been working with its European Community partners on the development of effective legislative measures on appliance labelling. A framework directive for mandatory energy labelling of domestic appliances has been agreed. Until the first labels appear, the EEO and regional electricity companies have developed an interim voluntary scheme to put energy efficiency labels on appliances, starting with fridges and freezers, sold in the companies' 1,100 showrooms throughout Great Britain.

A standard assessment procedure for comparing home energy labels produced by different schemes, designed by the Building Research Establishment, has been launched—to be used in the National Energy Foundation and MVM Starpoint schemes. A home energy labelling certificate tells a householder how energy efficient his or her house is and generally contains advice about cost-effective measures which can be taken to improve a property's energy efficiency and cut fuel bills.

OIL AND GAS

Britain's energy position is strengthened by substantial oil and gas reserves offshore on

the United Kingdom Continental Shelf (UKCS). The trend in offshore oil and gas developments is towards the exploitation of smaller reservoirs, and the advances in science and technology (for example, seismic acquisition technology, reservoir characterisation and subsea production systems) have made this a more economic proposition.

The Government has granted exploration and production licences as a result of 12 offshore licensing rounds since 1964. It announced two separate offshore licensing rounds in April 1990: the twelfth round and the thirteenth (frontier) round. In May 1991, 74 twelfth round awards were announced, covering 107 blocks. The thirteenth (frontier) round awards were announced in May 1991; six awards were made covering 66 blocks. The thirteenth round was aimed at promoting exploration of deep water areas north and west of Scotland. By the end of 1991, 4,846 wells had been or were being drilled in the UKCS: 2,198 development wells, 1,660 exploration wells and 988 appraisal wells.

In the fourteenth round, announced in March 1992, licensed acreage on offer will include remaining acreage in the main mature areas of the northern, central and southern North Sea; more speculative acreage on the margins of the main mature areas; and true frontier acreage, where any finds will take a long time to prove.

Offshore Supplies

The Offshore Supplies Office (OSO) of the Department of Trade and Industry aims to promote fair commercial opportunity in all oil and gas markets, to support development of the latest technologies and to foster British exports.

In 1991 the total value of orders reported by operators for oil and gas development work on the UKCS was £6,079 million, close to the 1990 figure of £6,186 million, the highest ever. The British share in 1991 was £4,734 million (78 per cent). The total value of orders placed in 1991 for goods and services in support of onshore activity was £38.5 million.

Research

Advice on the direction and content of the OSO's research and development in offshore technology is provided by the Offshore Energy Technology Board. The Petroleum Science and Technology Institute, set up in Edinburgh in 1989, is funded by 35 oil companies and the OSO. Its remit is to support oil-related research in British universities. The Offshore Technology Park in Aberdeen comprises several projects and is part-funded by Scottish Enterprise.

Economic and Industrial Aspects

In 1991 UKCS oil and gas production accounted for about 1.5 per cent of Britain's gross national product at factor cost. Total revenue from the sale of oil and gas produced from the UKCS in 1991 is estimated to have been £8,000 million and £2,800 million respectively. Taxes and royalty receipts attributable to UKCS oil and gas are estimated to have been £1,000 million in 1991-92 (£1,500 million lower than in 1990-91 because of lower oil prices and higher investment).

Expenditure on offshore and onshore development amounted to some £5,100 million in 1991. This was about 21 per cent of British industrial investment and 5 per cent of gross domestic fixed capital formation. Total investment between 1965 and 1991 came to about £46,000 million (£79,000 million at 1991 prices). Some 33,200 people were employed offshore in September 1991.

Offshore Safety

In November 1990, the Cullen report into the destruction by explosion and fire of the Piper Alpha fixed oil production platform in July 1988 resulted in 106 recommendations for a new regulatory system of offshore safety.

The Offshore Safety Act 1992 assists in enabling the major recommendations to be implemented. It clears the way for progressive replacement of existing prescriptive offshore safety legislation by new regulations made under the Health and Safety at Work etc. Act 1974. It also raises the maximum penalties for

offences which show a failure to manage health and safety adequately and to comply with an improvement or prohibition notice. The Act will also allow the recommendations to be implemented by regulations rather than primary legislation. The Act completes the statutory transfer of offshore safety responsibilities to the Health and Safety Executive.

OIL

Before the 1970s Britain was almost wholly dependent for its oil supplies on imports, the only indigenous supplies coming from a small number of land-based oilfields. However, the first notable offshore discovery of oil in the UKCS was made in 1969 and the first oil was brought ashore in 1975. Output of crude oil in Britain in 1991 averaged over 1.87 million barrels (about 256,000 tonnes) a day, making Britain the world's ninth largest producer.

North Sea Fields

There were 45 offshore fields producing crude oil at the end of 1991, and 14 new offshore development projects were approved during the year.

Output is likely to increase until the mid-1990s, and Britain should remain self-sufficient in oil well into the 1990s and a significant producer into the twenty-first century.

The fields with the largest cumulative production totals are Forties and Brent. Ninian, Piper, Beryl, Fulmar, Thistle and Claymore are other high-producing fields. Production from most large fields is controlled from production platforms of either steel or concrete which have been built to withstand severe weather, including gusts of wind of up to 260 km/h (160 mph) and waves of 30 m (100 ft). The Petroleum Act 1987 lays down measures to be taken in connection with the abandonment of offshore installations and pipelines.

The Government's oil policy encourages exploration, development and investment, with the objective of maximising economic oil

production for the foreseeable future. Remaining recoverable reserves of UKCS oil in the proven plus probable categories amount to 1,230 million tonnes, while the total remaining potential of the UKCS could be as high as 7,180 million tonnes.

Structure of the Oil Industry

About 250 companies, including many large oil firms, operate in Britain or engage in work in the UKCS. Exploration and development of the UKCS are carried out by the private sector. The Government receives royalties from UKCS oil.

The two leading British oil companies are British Petroleum (BP) and Shell Transport and Trading, which has a 40 per cent interest in the Royal Dutch/Shell Group of Companies. BP and Shell are the two largest industrial companies in Britain in terms of turnover.

Land-based Fields

Onshore production of crude oil is much less significant than offshore production. In 1991, however, it increased by 110 per cent to 3.7 million tonnes, 85 per cent of which came from Britain's largest onshore field at Wytch Farm (Dorset), which started production in

1979. In addition to minor production from various mining licensees, other onshore fields include Humbly Grove and Stockbridge (Hampshire), Palmers Wood (Surrey), Nettleham and Welton (Lincolnshire), and Wareham (Dorset). Small, independent companies play an increasingly prominent role in onshore exploration. At the end of 1991, 194 landward petroleum licences were in force, covering an area of 29,647 sq km (11,447 sq miles).

Refineries

At the beginning of 1992 the distillation capacity of Britain's 11 major oil refineries stood at 90 million tonnes a year. Excess crude distillation capacity has largely been eliminated, while existing refineries have been adapted to the changing pattern of demand by the construction of upgrading facilities (for example, 'catalytic crackers'), which are leading to a higher output of lighter products, mainly petrol, at the expense of fuel oil.

Consumption and Trade

Deliveries of petroleum products for inland consumption (excluding refinery consumption) in 1991 included 24 million tonnes of motor spirit, 8 million tonnes of

Table 15.2: Oil Statistics

	<i>million tonnes</i>				
	1981	1986	1989	1990	1991
Oil production ^a					
land	0.2	0.5	0.7	1.8	3.7
offshore	89.3	126.5	91.1	89.8	87.6
Refinery output	72.0	74.1	81.4	82.3	85.5
Deliveries of petroleum products for inland consumption	66.3	69.2	73.0	73.9	74.5
Exports (including re-exports):					
crude petroleum,					
natural gas liquids (NGLs)					
and feedstocks	52.2	87.4	51.7	57.0	55.1
refined petroleum products	12.3	15.3	16.7	16.9	19.4
Imports:					
crude petroleum, NGLs					
and feedstocks	36.9	41.2	49.5	52.7	57.1
refined petroleum products	9.4	11.8	9.5	11.0	10.1







Source: Department of Trade and Industry.

^aCrude oil plus condensates and petroleum gases derived at onshore treatment plants.

Oil

Norway

0 50 100 150 km
0 50 100 miles

-  Offshore oilfields in production or under development
-  Onshore oil finds
-  Oil refineries (over 1 million tonnes annual capacity)
-  Oil pipelines
-  Terminals
-  UK Continental Shelf

Terminals

S	Seisdon
Sev.	Sevenside
M	Manchester
K	Kingsbury
LI	Llandarcy
B	Buncefield
W	Walton
G	Gatwick
LA	London Airport
WL	West London



Magnus
Deveron
Osprey
Eider
Tern
N Cormorant
S Cormorant
N W Hutton
Heather

Don
Thistle
Murchison
Statford
Dunlin
Brent
Hutton
Strathspey

Shetland Islands

Lyell
Sullom Voe

N Alwyn
Staffa
Ninian
Emerald

Orkney Islands

Highlander
Claymore
S Brae
Saltire
Piper

Ness
Linnhe
Beryl

Buckland
E Brae
N Brae
Miller
Chanter

Tiffany
Toni
Donan

Flotta
Beatrice
Petronella
Jartan
Scott
Hamish
Ivanhoe

Forties
Nelson
Alba
Kittiwake
Arbroath

Balmoral
Maureen
Cyprus
Moir
Blair
Glamis

Nigg Bay

Cruden Bay

Buchan
Gannet

Clyde
Fulmar
Auk

Ekofisk

Finnart

Dalmeny

Argyll
Duncan

Grangemouth

North Tees
Teesside

Killingholme

Immingham

Tranmere

Stanlow

East Midlands oilfields

Milford Haven

London

Shellhaven
Coryton

Angle Bay
Pembroke

LI
Sev.

Humbly Grove
LA
WL

Palmer's Wood

Herriard
Goodworth
Stockbridge

Wareham

W
G

Singleton
Storrington
Lidsey

Fawley
Wytch Farm

Horndean

Kimmeridge

Wytch Farm

kerosene, 19.3 million tonnes of gas and diesel oil (including derv fuel used in road vehicles), and 12.1 million tonnes of fuel oil.

Virtually all exports went to Britain's partners in the European Community and the IEA, the largest markets being the Netherlands, France, Germany, Canada and the United States. Though self-sufficient, Britain continues to import other crude oils, to enable the full range of petroleum products to be made efficiently and economically.

Oil Pipelines

Oil pipelines brought ashore about 74 per cent of offshore oil in 1991. Some 1,934 km (1,202 miles) of major submarine pipeline bring oil ashore from the North Sea oilfields. Major crude oil onshore pipelines in operation from harbours, land terminals or offshore moorings to refineries include those connecting Grangemouth to Finnart, Cruden Bay to Grangemouth, and Purbeck to Southampton. Onshore pipelines also carry refined products to major marketing areas; for example, a 423-km (263-mile) pipeline runs from Milford Haven to the Midlands and Manchester, while similar pipelines also run from Fawley to Wolverhampton and from Lindsey to north London. Chemical pipelines include one from Mossmorran to Grangemouth and another (405 km—252 miles) from Grangemouth to Stanlow.

GAS

Public supply of manufactured gas in Britain began in the early nineteenth century in central London. For many years gas was produced from coal, but during the 1960s growing imports of oil brought about production of town gas from oil-based feedstocks. Following the first commercial natural gas discovery in the UKCS in 1965 and the start of offshore gas production in 1967, supplies of offshore natural gas grew rapidly and by 1977 natural gas had replaced town gas in the public supply system in Great Britain. Some £12,000 million has been spent on developing natural gas resources on the UKCS and over 840,000 million cubic metres have been produced.

Structure

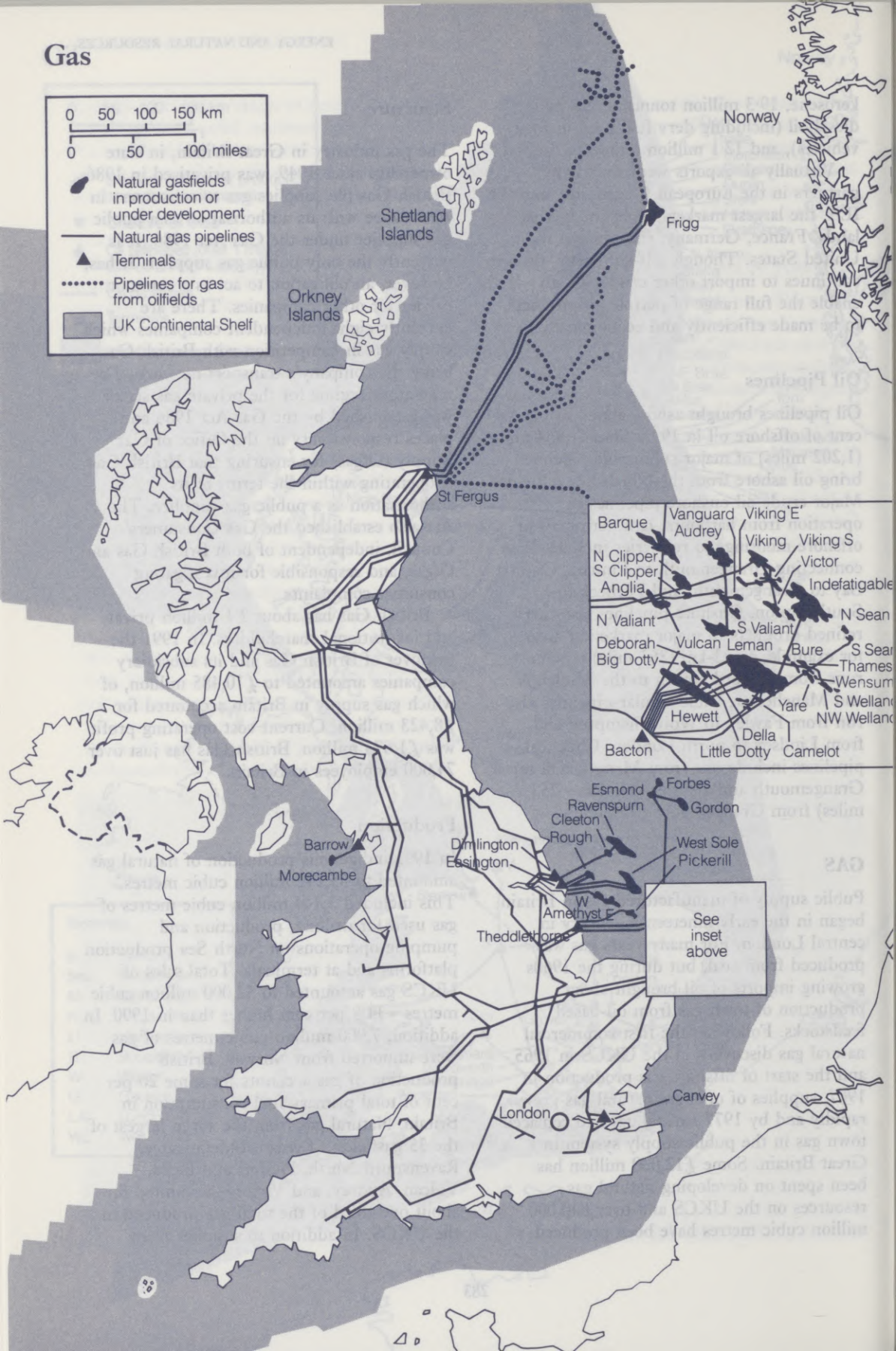
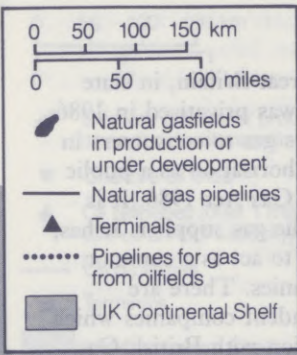
The gas industry in Great Britain, in state ownership since 1949, was privatised in 1986. British Gas plc supplies gas to consumers in accordance with its authorisation as a public gas supplier under the Gas Act 1986. It is currently the only public gas supplier. It has, however, an obligation to act as a common carrier for other companies. There are currently eight independent companies which supply gas in competition with British Gas, using the company's transport network. The regulatory regime for the private gas sector was established by the Gas Act 1986 and places responsibility on the Office of Gas Supply (Ofgas) for ensuring that British Gas is operating within the terms of its authorisation as a public gas supplier. The Act also established the Gas Consumers' Council, independent of both British Gas and Ofgas, and responsible for investigating consumer complaints.

British Gas has about 2.1 million private and institutional shareholders. In 1991 the turnover of British Gas and its subsidiary companies amounted to £10,485 million, of which gas supply in Britain accounted for £8,423 million. Current cost operating profit was £1,673 million. British Gas has just over 74,000 employees in Britain.

Production

In 1991 indigenous production of natural gas amounted to 55,242 million cubic metres. This included 3,444 million cubic metres of gas used for drilling, production and pumping operations on North Sea production platforms and at terminals. Total sales of UKCS gas amounted to 52,000 million cubic metres—11.9 per cent higher than in 1990. In addition, 7,000 million cubic metres of gas were imported from Norway. British production of gas accounts for some 20 per cent of total primary fuel consumption in Britain. Natural gas from the seven largest of the 35 gasfields—Leman, Indefatigable, Ravenspurn North, Hewett and Della, Vulcan, Audrey, and Victor—accounted for about one-third of the total gas produced in the UKCS. In addition to supplies from

Gas



gasfields, associated gas delivered to land via the Far North Liquids and Associated Gas System (FLAGS) and from Alwyn North made further significant contributions. Gas from the South Morecambe field in the Irish Sea and from the twin North Sean and South Sean fields is used to augment supplies to meet peak demand in winter.

Reserves

Remaining recoverable gas reserves are estimated at between 540,000 million and 1.8 million million cubic metres. If possible gas from existing discoveries and potential future discoveries are added, total reserves are estimated to be in the range of 1.74 million million to 4.17 million million cubic metres. Indigenous offshore natural gas reserves are likely to meet most of the British demand well into the next century.

Transmission and Storage

The British Gas national and regional high-pressure pipeline system of some 17,600 km (11,100 miles) transports natural gas around Great Britain. It is supplied from four North Sea shore terminals, and from a terminal in Barrow-in-Furness (Cumbria). The high-pressure transmission system is inspected regularly.

Newly built natural gas pipelines, not operated by British Gas, run from Horndean to Barking and from Theddlethorpe to Killingholme.

Various methods of storage of natural gas to meet peak load conditions are used, including salt cavities and storage facilities for liquefied natural gas. British Gas has also developed the partially depleted Rough field as a major gas store. This, the first such use of an offshore field, involves the injection into the Rough reservoir in summer of gas drawn from the national transmission system for recovery at high rates during periods of peak winter demand.

Consumption

Sales of gas by the supply industry in Britain totalled 20,220 million therms in 1991. About

31 per cent of all gas sold by British Gas to its 18 million consumers is for industrial and commercial purposes, the remainder being for domestic use.

Gas is used extensively in industries requiring the control of temperatures to a fine degree of accuracy, such as the pottery industry, and in certain processes for making iron and steel products.

In 1991, 5,284 million therms of gas were sold to industry in Britain, and 3,457 million therms to commercial and other non-domestic users. An increasingly large part of domestic demand is for gas for central heating. In 1991, 11,479 million therms were sold to domestic users.

Research

British Gas has a worldwide reputation for gas technology, with a research programme costing £90 million in 1991. It is involved in joint research with overseas gas companies. Its technology transfer group is assisting utilities in over 20 countries in transmission, distribution and other areas. British Gas is today exploring for and producing gas and oil in some 20 countries.

Competition in Gas Marketing

The gas market in Britain is being progressively liberalised. Following a review by the Office of Fair Trading of competition in the industrial and commercial gas market in Britain, British Gas gave undertakings in 1992 designed to increase competition. It agreed to reduce its share of the industrial and commercial contract gas market from 95 per cent to 40 per cent in 1995 and to set up a separate transportation and storage unit. The Government signalled its intention in 1992 to reduce British Gas's statutory monopoly threshold in the supply market, thus enabling smaller industrial and commercial users to benefit from competition.

COAL

Coalmining in Britain can be traced back to Roman times. It played a crucial part in the

industrial revolution of the eighteenth and nineteenth centuries. In its peak year, 1913, the industry produced 292 million tonnes of coal, exported 74 million tonnes and employed over 1 million workers. In 1947 the coalmines passed into public ownership, and the National Coal Board (now the British Coal Corporation) was set up. The Government has introduced legislation to privatise the coal industry. It has also reduced the debt under which the industry was operating and eliminated accumulated liabilities incurred by British Coal.

British Coal Corporation

British Coal has, with limited exceptions, exclusive rights over the extraction of coal in Great Britain. It is empowered to license private operators to work mines with an employee limit of 150 and opencast sites with a production limit of 250,000 tonnes, so that underground and opencast deposits too small for British Coal to work can be usefully exploited. It also has powers to work other minerals, where discoveries are made in the course of searching for, or working, coal; and to engage in certain petrochemicals activities beneficial to the future of the coal industry.

Production

Rationalisation of the industry in recent years has entailed British Coal improving its productivity and reducing costs to ensure effective competition. Increases in productivity (reaching some 6 tonnes in one manshift) have been accompanied by a programme of pit closures. In 1991-92 total output of 91.1 million tonnes comprised 71 million tonnes of deep-mined coal, 16.7 million tonnes from opencast mines and 3.4 million tonnes from licensed mines. In March 1992, there were 50 British Coal collieries in operation and 44,000 miners (compared with 850 and 695,000 in 1955). Coal capacity is being reduced and British Coal is to close ten more pits in 1992-93. British Coal Opencast also had 58 sites in operation at the end of March 1992. Since 1984, British Coal, through its job creation

activity, British Coal Enterprise, has helped create job opportunities for 76,500 people in areas where mining was previously the main source of employment.

Development

Britain's coal industry is the largest hard-coal industry in Western Europe, and one of the world's most technologically advanced. British Coal has a substantial investment programme, which amounted to £286 million in 1991-92. Technical progress has been concentrated on equipment capable of obtaining higher output from fewer faces. By mid-1992, 79 per cent of all coal faces were equipped with heavy duty supports available across the full range of seam thicknesses. Production at the new mining complex at Selby in North Yorkshire (one of the world's most advanced deep mines) is planned at up to 10 million tonnes a year.

Significant reserves of lignite (brown coal) have been discovered in Northern Ireland in the clay basins around Lough Neagh and at Ballymoney. Companies under government licence are prospecting to determine their extent, possibly over 1,000 million tonnes.

Consumption

In 1991-92 inland consumption of coal was 105 million tonnes, of which 76.7 per cent was by power stations, 9.5 per cent by coke ovens and 5 per cent by domestic users. With a substantial proportion of coal being used by power stations for electricity generation, British Coal sales of coal to them totalled 73 million tonnes in 1991-92. Exports of coal in 1991-92 were 1.4 million tonnes, while imports amounted to 20 million tonnes.

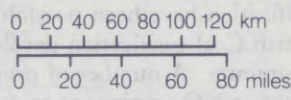
Research




The Government's and British Coal's principal research objective is to make the burning of coal more environmentally acceptable. It aims to reduce emissions of sulphur dioxide, nitrogen oxides (NOx),

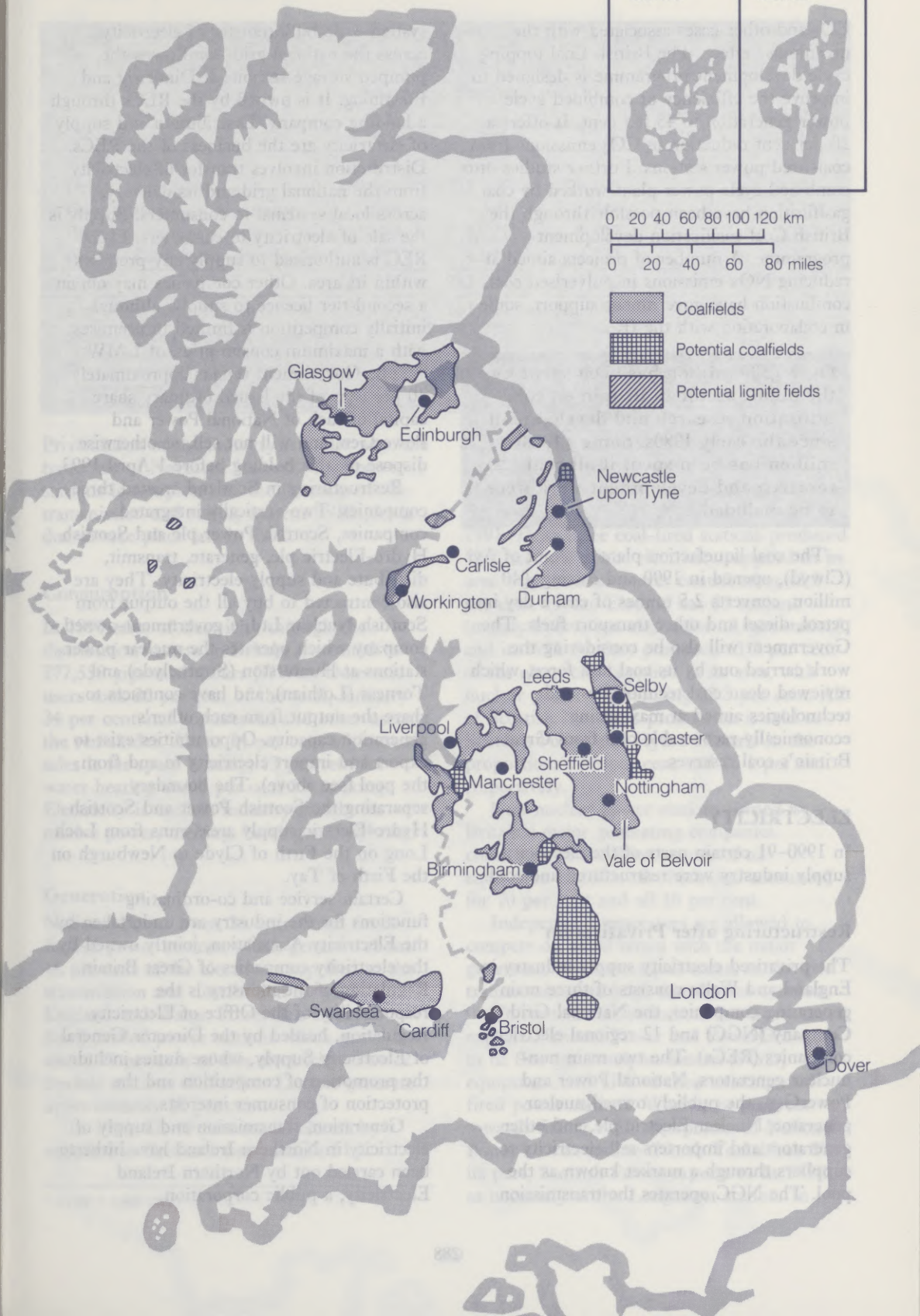
Coal

Orkney Islands

Shetland Islands



-  Coalfields
-  Potential coalfields
-  Potential lignite fields



CO₂ and other gases associated with the greenhouse effect. The British Coal topping cycle development programme is designed to improve the efficiency of combined cycle power generation to 45 per cent. It offers a 20 per cent reduction in CO₂ emissions from coal-fired power stations. Further studies into combined cycle power plant worked by coal gasification have been possible through the British Coal gasification development programme. A number of projects aimed at reducing NO_x emissions in pulverised coal combustion have government support, some in collaboration with the IEA.

Over £500 million has been spent by the public sector in Britain on coal utilisation research and development since the early 1980s. Some £1,000 million has been spent if all coal research and development work were to be included.

The coal liquefaction plant at Point of Ayr (Clwyd), opened in 1990 and costing £40 million, converts 2.5 tonnes of coal a day into petrol, diesel and other transport fuels. The Government will also be considering the work carried out by its coal task force, which reviewed clean coal technologies and technologies aimed at maximising economically recoverable coal from Great Britain's coal reserves.

ELECTRICITY

In 1990–91 certain parts of the electricity supply industry were restructured and sold.

Restructuring after Privatisation

The privatised electricity supply industry in England and Wales consists of three main generating companies, the National Grid Company (NGC) and 12 regional electricity companies (RECs). The two main non-nuclear generators, National Power and PowerGen, the publicly owned nuclear generator, Nuclear Electric plc, and other generators and importers sell electricity to suppliers through a market known as the pool. The NGC operates the transmission

system—the bulk transfer of electricity across the national grid—and owns the pumped storage stations at Dinorwig and Ffestiniog. It is owned by the RECs through a holding company. Distribution and supply of electricity are the business of the RECs. Distribution involves transfer of electricity from the national grid and its delivery, across local systems, to consumers. Supply is the sale of electricity to customers. Each REC is authorised to supply any premises within its area. Other companies may obtain a second-tier licence to supply, although initially competition is limited to premises with a maximum consumption of 1 MW.

The Government retains approximately 40 per cent of the issued ordinary share capital of each of National Power and PowerGen, and will not sell, or otherwise dispose of, this holding before 1 April 1993.

Restructuring in Scotland created three companies. Two vertically integrated companies, Scottish Power plc and Scottish Hydro-Electric plc, generate, transmit, distribute and supply electricity. They are also contracted to buy all the output from Scottish Nuclear Ltd, a government-owned company which operates the nuclear power stations at Hunterston (Strathclyde) and Torness (Lothian), and have contracts to share the output from each other's generation capacity. Opportunities exist to export and import electricity to and from the pool (see above). The boundary separating the Scottish Power and Scottish Hydro-Electric supply areas runs from Loch Long on the Firth of Clyde to Newburgh on the Firth of Tay.

Certain service and co-ordinating functions for the industry are undertaken by the Electricity Association, jointly owned by the electricity companies of Great Britain. Regulation of the industry is the responsibility of the Office of Electricity Regulation, headed by the Director General of Electricity Supply, whose duties include the promotion of competition and the protection of consumer interests.

Generation, transmission and supply of electricity in Northern Ireland have hitherto been carried out by Northern Ireland Electricity, a public corporation.

Table 15.3: Generation by and Capacity of Power Stations owned by the Major Generating Companies in Britain

	Electricity generated (GWh)			Per cent capacity 1991	Output (MW)
	1981	1986	1991		
Nuclear plant	34,043	54,005	66,329	15	10,733
Other steam plant	220,259	221,426	229,190	74	51,365
Gas turbines and oil engines	509	509	358 ^a	5	3,136 ^a
Pumped storage plant	1,003	2,221	1,523	4	2,787
Natural flow hydro-electric plant	3,917	4,098	3,777	2	1,302
Total	259,731	282,258	301,176	100	69,323
Electricity supplied (net) ^b	242,106	261,160	280,649		

Source: Department of Trade and Industry.

^aThese figures include generation by, and capacity of, wind power stations.

^bElectricity generated less electricity used at power stations (both electricity used on works and that used for pumping at pumped-storage stations).

Note: Differences between totals and the sums of their component parts are due to rounding.

Privatisation of the industry is under way: the trade sale of Northern Ireland's four power stations is complete and the flotation of the transmission and supply system (NIE plc) is due to take place late in 1992.

Consumption

In 1991 sales of electricity through the distribution system in Britain amounted to 277,550 gigawatt³ hours (GWh). Domestic users took 36 per cent of the total, industry 34 per cent and commercial and other users the remainder. About 24 per cent of domestic sales is for space heating, 13 per cent for water heating and 8 per cent for cooking. Electricity is used in industry mainly for motive power, melting, heating and lighting.

Generation

National Power owns 35 operational fossil-fuelled power stations which generate about 46 per cent of the electricity supplied to the transmission and distribution networks in England and Wales. PowerGen owns 19 fossil-fuelled power stations which generate about 30 per cent of this electricity. The 12 nuclear stations of Nuclear Electric generate approximately 17 per cent.

In 1991-92, 40 per cent of electricity supplied in Scotland was produced by

Scottish Nuclear's two stations. The power stations operated by Scottish Power and Hydro-Electric provided most of the balance. Scottish Power has 15 power stations and in 1991-92 its three coal-fired stations produced 50.2 per cent of the electricity supplied in its area, with nuclear power contributing 43.5 per cent. Hydro-Electric has 59 stations (mostly hydro, but one major oil/gas station), and in 1991-92 they produced 61.9 per cent of the electricity supplied in its area, with nuclear power contributing 22.5 per cent. All of Scottish Nuclear's production is sold to Scottish Power and Hydro-Electric in the proportions 74.9 per cent and 25.1 per cent respectively.

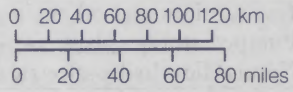
Non-nuclear power stations owned by Britain's major generating companies consumed 69.2 million tonnes of oil equivalent in 1991, of which coal accounted for 70 per cent and oil 10 per cent.

Independent generators are allowed to compete on equal terms with the major generators and have equal access to the grid transmission and local distribution systems.

To control acid emissions the Government expects National Power and PowerGen each to fit flue gas desulphurisation (FGD) equipment to 4 GW of their existing coal-fired power stations. Work is in progress towards fitting FGD equipment to National Power's Drax station (North Yorkshire). For its part, Scottish Power expects to fit FGD as necessary at the Longannet station. In

³ 1 GW = 1,000 MW.

Electricity



- Conventional power stations (1,000 MW and over)
- Nuclear power stations
- Under construction
- ◆ Power-producing reactors of the UKAEA or BNFL
- ★ Hydro-electric power stations (over 45-MW capacity)
- ▲ Pumped storage schemes



addition, a ten-year programme to control NO_x emissions through the installation of low-NO_x burners at the 12 largest power stations in England and Wales, at a cost of approximately £185 million, is also in progress. The Scottish companies are expected to fit low-NO_x burners at the main coal stations.

For new stations the trend is towards the construction of combined cycle gas turbines (CCGTs). They are less costly to build than other types of station, and have shorter construction times and lower capital costs. Their use of natural gas, low in sulphur, also helps to reduce acid and CO₂ emissions. The installation of the more efficient CCGT plant should also help to stabilise CO₂ emissions from the electricity supply industry. In England and Wales, nine such stations over 50 MW have been given planning consent under the Electricity Act 1989. Britain's first independent CCGT station, in Cumbria, was opened in 1991.

The pumped storage station at Dinorwig (Gwynedd), the largest of its type in Europe, has an average generated output of 1,728 MW. In pumped storage schemes electricity generated in off-peak periods is used to pump water to high-level reservoirs, from which it descends to drive turbines, rapidly providing a large supply of electricity at peak periods or to meet sudden increases in demand.

The NGC, together with Electricité de France, runs a 2,000-MW cross-Channel cable link, providing the capacity for the transmission of electricity between the two countries. Transmission lines linking the Scottish and English grid systems enable cross-border trading. This interconnector is run jointly by the NGC and Scottish Power. Its capacity is planned to be increased from 850 MW to 1,600 MW by 1994-95. Northern Ireland Electricity and Scottish Power have agreed to construct a 250-MW interconnector between Scotland and Northern Ireland, to come into operation in 1996.

Nuclear Power

In 1956, the world's first industrial-scale nuclear power station, at Calder Hall

(Cumbria), began to supply electricity to the national grid. There are 14 operating commercial nuclear power stations that generate electricity in Britain: seven Magnox stations (with capacities ranging from 245 to 840 MW) and seven Advanced Gas-cooled Reactor stations (AGRs; ranging from 720 MW to 1,320 MW). Construction of a pressurised water reactor (PWR) of 1,175 MW at Sizewell (Suffolk) is expected to be completed in 1994. There are also two Magnox stations which have been shut down and are in the process of being decommissioned.

The Government recognises two main advantages to continued nuclear power generation: first, it increases diversity of energy supply and helps maintain its security; and secondly, it can help curb acid rain and combat global warming—nuclear stations emit no SO₂, NO_x or CO₂. The Government wishes to maintain the nuclear option, but only if nuclear power becomes more competitive with other energy sources. It intends to carry out a full-scale review of nuclear power in 1994. Meanwhile it and the industry will take several initiatives, which will include: improving the efficiency of nuclear stations; extending the lives of existing nuclear stations; speeding investigations into a potential repository for radioactive waste; a full-scale review of civil nuclear research and development; and commissioning further research into the medical aspects of radiation.

In England and Wales the Government has introduced a 'fossil fuel levy', which is currently set at 11 per cent, on electricity sales. Most of the revenue raised is used to pay a premium to nuclear generators, as the cost of producing energy from nuclear sources is greater than that of producing it from fossil fuel sources. The premium is, however, set to be phased out by 1998, by which time it is hoped that nuclear power generation will be economically competitive.

British Nuclear Fuels

British Nuclear Fuels plc (BNFL) provides services covering the whole nuclear fuel cycle. All of its shares are held by the Government. The company, with

headquarters at Risley (Cheshire), conducts operations at four further sites: Springfields (Lancashire), where fuel is manufactured; Capenhurst (Cheshire), where uranium is enriched to provide fuel for nuclear reactors; Sellafield (Cumbria), where spent fuel is reprocessed and where Calder Hall is located; and Chapelcross Magnox power station (Dumfries and Galloway).

A substantial investment programme is in progress, mainly at Sellafield. BNFL's major project is the thermal oxide reprocessing plant (THORP), construction of which has now been completed at a cost of some £2,800 million, including its share of associated facilities. THORP will reprocess spent fuel from British and overseas oxide reactors and is expected to start operations early in 1993. At the same time, BNFL will bring into operation the latest of its waste management and effluent treatment facilities. The enhanced actinide removal plant (EARP) will use a revolutionary ultrafiltration process to provide further treatment facilities for low-level radioactive waste.

Nuclear Research

The nuclear research and development funded by the Department of Trade and Industry is carried out by the United Kingdom Atomic Energy Authority's (UKAEA) nine semi-autonomous businesses, which operate as AEA Technology. The work is carried out at six sites: Harwell and Culham (Oxfordshire), Risley, Winfrith (Dorset), Windscale (Cumbria) and Dounreay (Highland). In addition, safety research is carried out by AEA Safety and Reliability at Culcheth (Cheshire).

Co-operation on nuclear energy between Britain and other countries takes place within a framework of intergovernmental agreements and membership of bodies such as the International Atomic Energy Agency and the Nuclear Energy Agency, as well as through direct links on research between AEA Technology and equivalent organisations overseas.

Britain takes part in the co-operative research programmes of the European Atomic Energy Community (Euratom).

Under an agreement with its French and German counterparts, AEA Technology is carrying out research and development work for the European fast reactor collaboration. The detailed design phase of this collaboration, sponsored by the utilities in Britain, France and Germany, is due to be completed in 1993.

A major component of this programme is the Joint European Torus (JET) project at Culham, which started operating in 1983. In 1991 it successfully carried out an experiment which, it is claimed, demonstrates the scientific feasibility of thermonuclear fusion. The JET device, called a Tokamak, is reported to have produced an energy release equivalent to 1 MW for two seconds.

Nuclear Safety

Britain has a rigorous system of nuclear safety regulation, enforced by the Health and Safety Executive's Nuclear Installations Inspectorate, which ensures that high standards of safety are incorporated into the design, construction, operation, maintenance, decommissioning of all nuclear plant, and eventual disposal of resulting wastes. While the safety of such plant in Britain is the ultimate responsibility of the nuclear operator, the Inspectorate has extensive powers. An operator must satisfy it before a licence is granted. Operators must protect their workers and the public by complying with the Health and Safety at Work etc. Act 1974, as well as with the conditions of their nuclear site licences under the Nuclear Installations Act 1965. The Inspectorate has the power to shut down a plant if it is believed to be unsafe and may also require improvements to an installation if it thinks the appropriate safety standards are not being met.

Discharges have to be kept within the limits and conditions set by authorisations granted under the Radioactive Substances Act 1960. In England and Wales separate authorisations are required from the Secretaries of State for the Environment and for Wales, and from the Minister of

Agriculture, Fisheries and Food, and in Scotland from the Secretary of State for Scotland. Within maximum dose limits, operators of nuclear facilities are required to keep discharges as low as is reasonably achievable and failure to do so makes them liable to prosecution. Compliance with the legislation is overseen by Her Majesty's Inspectorate of Pollution in England and Wales, and by Her Majesty's Industrial Pollution Inspectorate in Scotland.

On nuclear safety, Britain has a number of bilateral agreements and arrangements, with, for example, France and the United States, covering the exchange of information relating to all matters affecting nuclear safety. International conventions have been established on the early notification of a nuclear accident with possible transboundary effects, and on the mutual provision of assistance in the event of a nuclear accident or radiological emergency.

Emergency Plans

The precautions taken in the design and construction of nuclear installations in Britain, and the high safety standards in their operation and maintenance, reduce the chance of accidents which might affect the public to an extremely low level. However, all operators are required, as a condition of their site licences, to prepare emergency plans, including those for dealing with an accidental release of radioactivity, which are regularly tested in exercises under the supervision of the Nuclear Installations Inspectorate.

Research on Electricity

Research and development are a matter for the individual companies, but some research is carried out jointly. National Power and PowerGen maintain a joint environmental programme. Technological research on generation and main transmission is undertaken primarily by the generating companies and by the NGC. A new company, EA Technology, has been created to carry out research and development programmes on behalf of the electricity industry. It is based at Capenhurst.

RENEWABLE SOURCES OF ENERGY

The Department of Trade and Industry supports research, development and demonstration in the renewable energy technologies. It aims to exploit alternative sources of energy which have the potential to be economically viable and environmentally acceptable. It also encourages industry to develop both internal and export markets. Its current programme includes some 350 projects with a financial commitment of £87 million. Work is at present concentrated on the most promising technologies.

The Government is aiming at a figure of 1,000 MW of electricity generation capacity from renewable energy by the year 2000. In 1990 and 1991 Orders under the non-fossil fuel obligation in England and Wales allowed for 197 renewable energy projects, with a declared net capacity of 559 MW.

The Government is reviewing its renewable energy strategy. As part of that process, a ministerial advisory group has been formed to provide an independent comment on the overall review. The group's members are drawn from the renewables industry, business, management and academic life.

Wind Power

Wind power remains one of the most promising technologies. The Government's research and development programme into wind power has cost more than £40 million over ten years. Expenditure is running at about £6 million a year. The programme for 1991-92 initiated some 25 new projects and managed 100 projects.

If wind development programmes are successful, it is thought that Britain could generate the equivalent of about 10 per cent of current electricity consumption from wind power by the year 2025.

Among the projects supported by the Government are:

- two vertical-axis wind turbines, inaugurated in 1986 and 1990 at Carmarthen Bay (Dyfed);
- a 300-kW turbine also at Carmarthen Bay;

- a 3-MW, 60-m (200-ft) turbine, in collaboration with Scottish Hydro-Electric, on Orkney, inaugurated in 1987;
- a 1-MW, 55-m (180-ft) diameter turbine at Richborough (Kent), inaugurated in 1990; and
- two 300-kW turbines at the National Wind Turbine Centre (East Kilbride), opened in 1991.

Plans for experimental wind farms are progressing. The Government has agreed with National Wind Power to pursue collaborative projects at Cold Northcott (Durham) and Llangwryfan (Powys) which are scheduled for completion during 1993.

Tidal Power

Tidal power is one of the most promising of the renewable technologies for large-scale electricity generation. Its exceptionally high tidal range makes the Severn estuary one of the best potential sites in the world. The Government has funded, with the Severn Tidal Power Group and the electricity supply industry, a £4.2 million study into the viability of a Severn tidal barrage (16 km—10 miles), of which a general report has been published. The Government has contributed about £900,000 towards further environmental, regional and financing studies.

Government grants of some £5 million on three phases of studies, and £1.2 million on a 15-month extension of the third phase, have gone towards an energy barrage on the Mersey estuary.

Solar Power

The Government continues support for a solar programme and the Best Practice programme of the EEO encourages the technology.

Recent advances in photovoltaics—in which treated glass plates convert sunlight directly into electricity—have suggested that photovoltaic materials incorporated into the cladding and roofing of buildings could provide competitive electricity generation. The Government is supporting a two-year assessment of photovoltaics, costing £250,000.

Passive solar design is considered the best way to utilise solar energy in Britain and has already proved cost-effective in both domestic and non-domestic buildings, using their form and fabric to admit, store and distribute solar energy for heating and for improving daylight.

Biofuels

Biofuels offer possibly the largest contribution from the renewable energy resources in the medium term. The main work of the government programme is on the combustion of wastes, anaerobic digestion (particularly as applied to the production and use of landfill gas) and energy forestry. Britain is the largest user of landfill gas as an energy source in the European Community, and is second only to the United States in its exploitation.

Wave Energy

Britain's first shoreline wave energy system was inaugurated in 1991 on the island of Islay. The small-scale gulley device was constructed from 1985 by the Queen's University of Belfast, which is carrying out a complementary study to assess the potential for shoreline devices in Britain. The system is rated at 75 kW and is connected to the local grid.

Small-scale Hydro

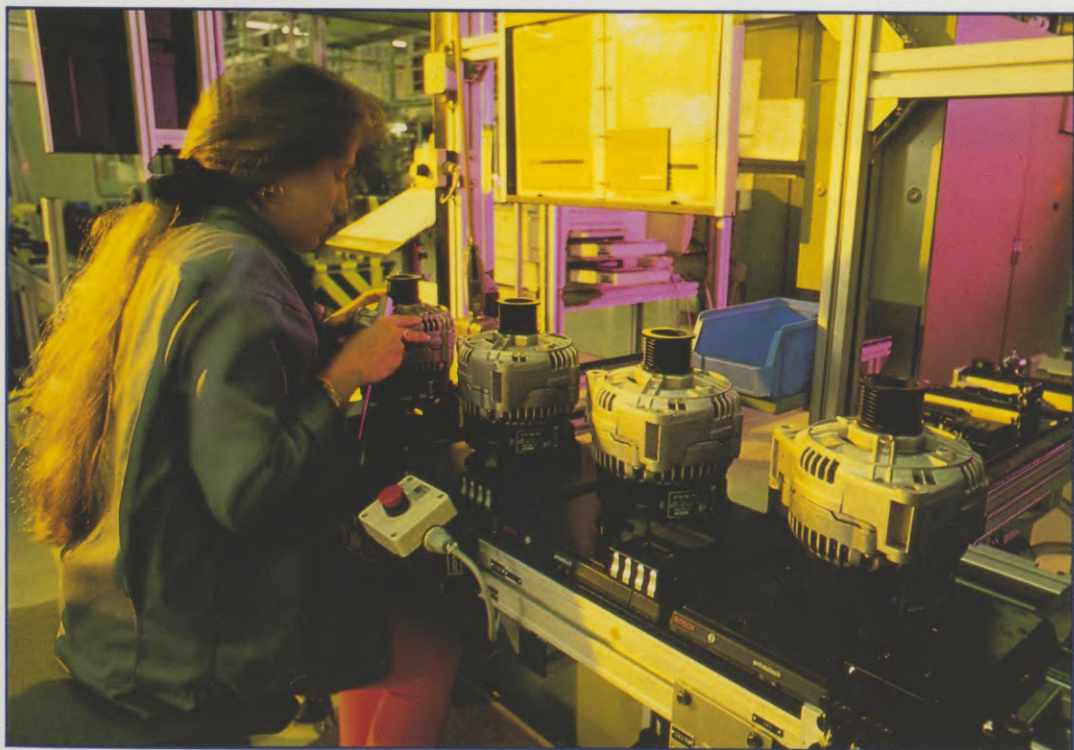
Small-scale hydro power was the original energy source for the industrial revolution in the eighteenth and nineteenth centuries. The Government urges organisations interested in small-scale hydro-electricity generation to take advantage of government assistance in funding feasibility studies.

Geothermal Energy

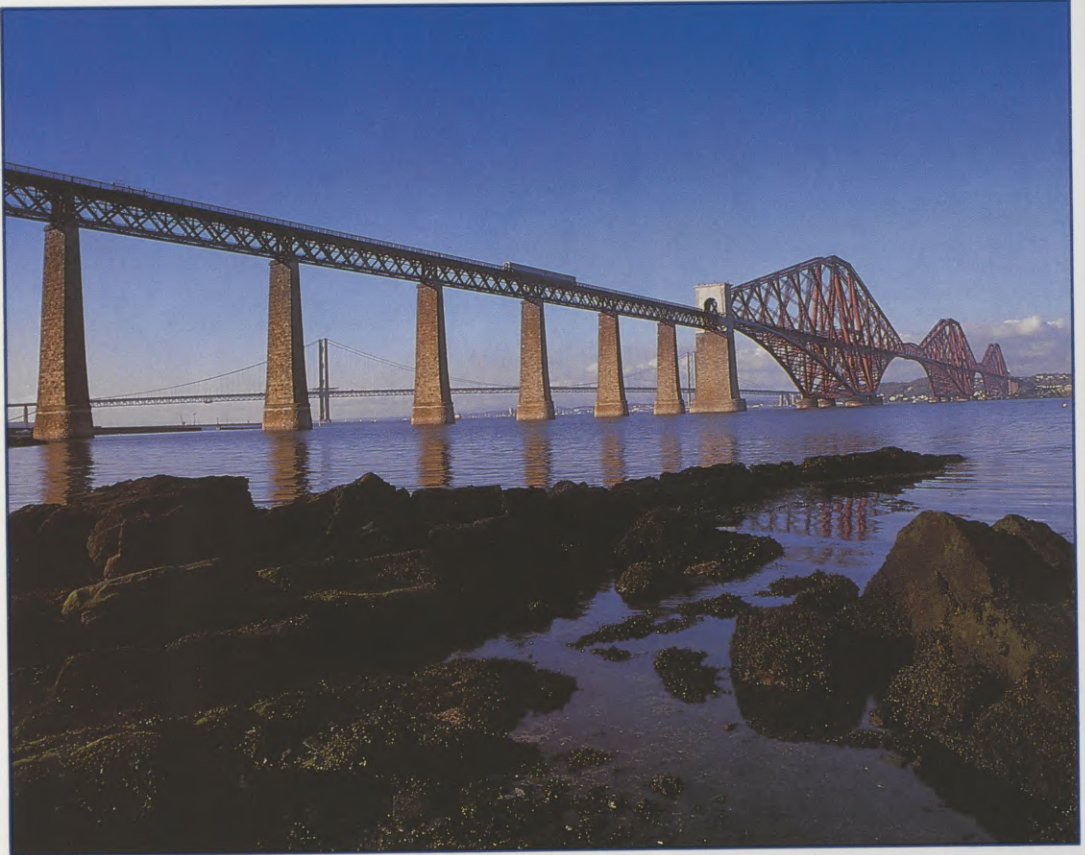
Under its geothermal hot dry rock programme (during 1976–91), the Government investigated, through work carried out in Cornwall by the Camborne School of Mines, the economic possibilities of

INWARD INVESTMENT

Overseas firms invest more in Britain than in any other European country. In 1991-92 foreign-owned companies made a total of 332 decisions to invest in Britain. These include the Japanese company Mitsubishi Electric, with a factory at Livingston, Scotland, and Robert Bosch, a German company which makes alternators for the motor car industry, in South Glamorgan, Wales.



BRIDGES

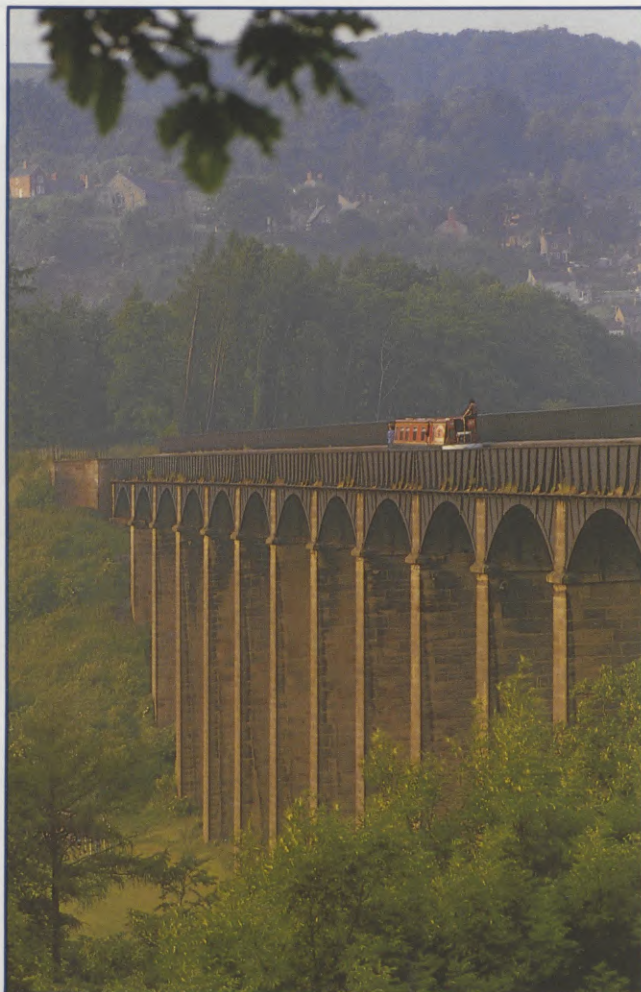


The Forth Railway Bridge, built between 1883 and 1890, is one of the marvels of Victorian railway engineering and was the world's first major structure built entirely of steel. The road bridge, seen here in the distance, was built between 1958 and 1964.

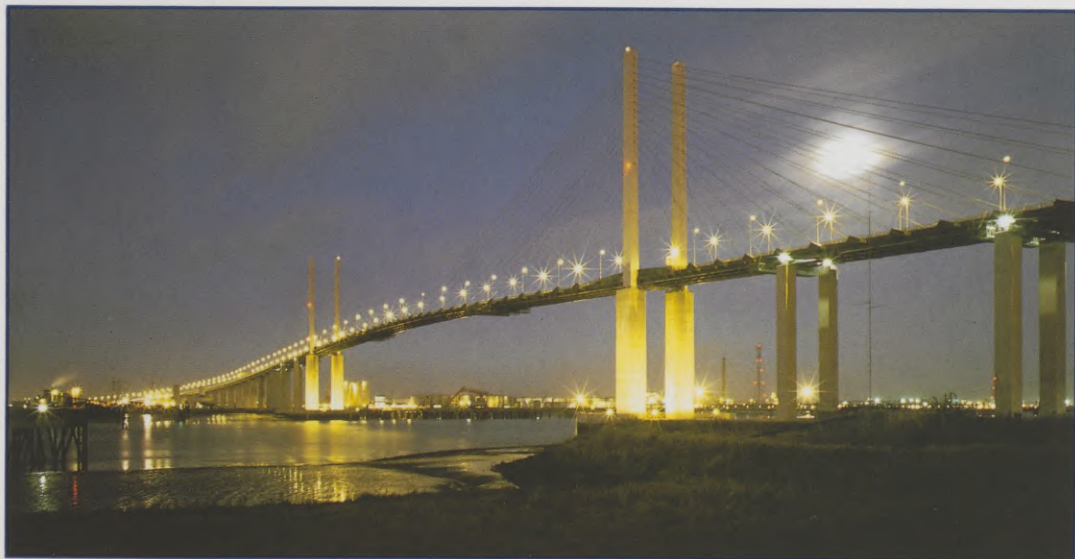
The Craigavon Bridge in Londonderry, Northern Ireland, is made of steel and consists of two 'decks' over which traffic flows. It was opened in 1933, and is named after Northern Ireland's first Prime Minister.



The Pontecysyllte Aqueduct, near Llangollen, north Wales, is one of the masterpieces of the Scottish engineer Thomas Telford (1757-1834). The span carries the Ellesmere Canal over the River Dee at a height of some 127 feet.



The Queen Elizabeth II Bridge, which carries traffic over the Thames between Dartford in Kent and Thurrock in Essex, is the longest cable-stayed bridge in Europe. The bridge, which was officially opened in October 1991, cost £86 million at 1986 prices; it was Britain's first privately funded major road scheme.



THE WATER SUPPLY INDUSTRY



The water supply industry in England and Wales is committed to a ten-year investment programme costing over £28,000 million. To meet the growing demand for water in London, Thames Water is constructing an 80-km (50-mile) distribution system, due to be completed in 1996.

Kielder Water, Northumberland, was built at a cost of £167 million in 1982. It is one of the largest artificial reservoirs in Europe.



extracting heat from rocks at a depth of 2 to 6 km (1.25 to 4 miles). It has concluded that further funding should go largely towards participating in a joint programme with France, Germany and the European Community, which could resolve some of the technical uncertainties.

Non-fuel Minerals

Although much of Britain's requirements for industrial raw materials is met by imports, non-fuel minerals produced in Britain make an important contribution to the economy. Output of non-fuel minerals in 1990 totalled over 318 million tonnes, valued at £1,993 million. The total number of employees in the extractive industry was some 47,700 in 1990.

Exploration

Exploration for, and exploitation of, indigenous mineral resources to meet the needs of industry are encouraged by the Government. The British Geological Survey is carrying out a long-term programme for the Department of Trade and Industry aimed at identifying areas with the potential for the

economic extraction of minerals. Exploration for gold, for example, continues, especially in Scotland, Northern Ireland and south-west England.

Production

In terms of value, production of limestone and dolomite was estimated at £594 million in 1990, sand and gravel £543 million, clays £270 million, igneous rock £241 million, sandstone £78 million, potash £63 million, chalk £48 million, silica sands £43 million, salt £37 million, gypsum and anhydrite £22 million, fuller's earth £15 million, fluorspar £13 million and tin £11 million. In 1990 the production of metals in non-ferrous ores totalled 12,500 tonnes, mainly tin and zinc from Cornwall. The two remaining Cornish mines, one of the very few sources of tin in the European Community, produced some 3,500 tonnes in 1990, satisfying about half of Britain's demand. Wheal Jane mine was closed early in 1991. South Crofty mine continues in production. Small amounts of copper and silver were produced in association with tin and zinc, and some lead and zinc with barytes and fluorspar. A little gold came from a mine in north Wales.

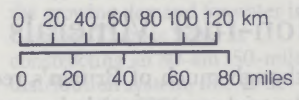
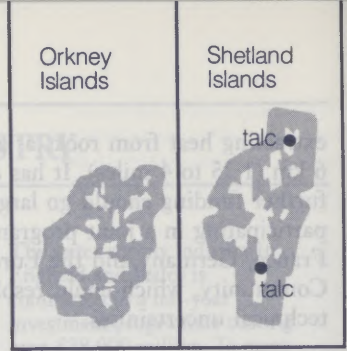
Table 15.4: Production of Some of the Main Non-fuel Minerals

	<i>million tonnes</i>		
	1980	1985	1990
Sand and gravel	104.5	107.7	124.0
Silica sand	5.7	4.2	4.1
Igneous rock	34.7	38.5	57.4
Limestone and dolomite	88.8	95.5	123.3
Chalk ^a	14.0	12.0	13.1
Sandstone	12.6	13.2	18.0
Gypsum	3.4	3.1	3.5
Salt, including salt in brine	7.2	7.1	6.4
Common clay and shale ^a	19.8	18.9	16.2
China clay	2.8	2.9	3.0
Ball clay	0.8	0.6	0.8
Fireclay	1.2	0.8 ^a	0.9 ^a
Iron ore	0.9	0.3	0.1
Potash	0.5	0.6	0.8
Fluorspar	0.2	0.2	0.1
Fuller's earth	0.2	0.2	0.2

Source: British Geological Survey, *United Kingdom Minerals Yearbook 1991*.

^a Great Britain only.

Some Minerals Produced in Britain



- Major metallic and industrial mineral workings
- ▲ Major mineral deposits (unworked)



Water

Britain's water supplies are obtained partly from surface sources such as mountain lakes, streams impounded in upland gathering grounds and lowland river intakes, and partly from underground sources by means of wells, springs, adits and boreholes. About 99 per cent of the population in Great Britain and 97 per cent in Northern Ireland are connected to the public water supply system. Water put into the public supply system in England and Wales amounted to about 17,370 megalitres (Ml) a day in 1990-91 and average daily domestic consumption per head was 140 litres.

Some 35,250 Ml a day were abstracted in England and Wales in 1990, of which public water supplies accounted for 18,336 Ml a day. The electricity generating companies and other industry took some 16,400 Ml a day. Agriculture took just over 500 Ml a day.

England and Wales

The Water Act 1989 privatised the utility functions of the ten former water authorities in England and Wales. It provided for the Secretaries of State for the Environment and for Wales, the Director General of Water Services and the National Rivers Authority (NRA) to be the principal regulators of the industry. The Minister of Agriculture, Fisheries and Food and the Secretary of State for Wales are responsible for policy relating to land drainage, flood protection, sea defence, and the protection and development of fisheries. The Drinking Water Inspectorate was set up to regulate drinking water quality.

Water Companies

The ten water service companies are the principal operating subsidiaries of the ten water holding companies. They have statutory responsibilities for water supply, sewerage and sewage treatment, and for ensuring adequate supplies. The supply-only companies, of which there were already 29 in the private sector in 1989, supply water to about a quarter of the population.

The Water Industry Act 1991 allows the

water companies to determine their own methods of charging. At present most charges are based on the former rateable value system, although customers may choose to pay to have a water meter installed. In general, companies require new properties to have metered supplies. An alternative to the system based on rateable values, however, must be found by the year 2000. Wide-scale water metering is one of the choices being considered.

A system of economic regulation and guaranteed standards of service is overseen by the Director General of Water Services. The Water Supply (Water Quality) Regulations 1989 define wholesomeness and incorporate the requirements of the European Community's drinking water directive. They impose physical, chemical and microbiological standards for water intended for domestic and food production purposes. The task of the Drinking Water Inspectorate is to ensure that drinking water is wholesome and that companies comply with the Regulations. Of 3.3 million tests carried out in 1990, 99 per cent came within the legal limits.

National Rivers Authority

The NRA, the environmental regulator, is a non-departmental public body with statutory duties and powers in relation to water resources, pollution control, flood defence, fisheries, recreation, conservation and navigation in England and Wales. The water environment for which it has responsibility includes all rivers, lakes, reservoirs, estuaries, coastal waters and water stored naturally underground. The NRA's consent is needed for the abstraction of water and for discharges to water.

Development Projects

The water industry in England and Wales is committed to a ten-year investment programme costing over £28,000 million at 1989-90 prices. Thames Water is constructing an 80-km (50-mile) distribution system to meet the growing demand for water in London. This is due to be completed in 1996. North West Water has a

major 25-year programme of investment to clean up the polluted rivers of the Mersey Basin.

Water is an increasingly scarce resource. The industry, through contingency planning and publicity campaigns, aims to encourage the wise use of water, especially when supplies run low because of prolonged warm, dry weather. A national review of water consumption and conservation, prompted by the drought in south-east England which began in 1988, has been put in hand by the Government. The NRA has published a survey of the prospects for public water supplies to the year 2011 in England and Wales. It is investigating the strategic development of water resources, including major new transfer schemes, and is reviewing the possibilities of a national grid and desalination. The Government has issued a consultation paper about possible ways of augmenting water resources in England and Wales; measures that might be taken to cut waste and reduce usage; and ways of controlling demand.

Scotland

In Scotland responsibility for public water supply, sewerage and sewage disposal rests with the nine regional and three islands councils ('the water authorities'). In addition, the Central Scotland Water Development Board is responsible for developing new sources of supply to provide water in bulk to the regional councils in an area of 25,900 sq km (10,000 sq miles) in central Scotland. The Secretary of State for Scotland is responsible for promoting conservation of water resources and provision by water authorities and water development boards of adequate water supplies. He has a duty to promote the cleanliness of rivers and other inland waters, and the tidal waters of Scotland. River purification authorities have a statutory responsibility for water pollution control. Water is charged for according to type of

consumer: domestic consumers pay community water charges (from April 1993, council water charges); non-domestic consumers pay by means of non-domestic water rates, or through metered charges. Charges and rates are decided by each authority.

Scotland has a relative abundance of unpolluted water from upland sources. An average of 2,301 Ml a day was supplied in Scotland in 1990-91.

Northern Ireland

The Department of the Environment for Northern Ireland is responsible for public water supply and sewerage throughout Northern Ireland. It is also responsible for the conservation and cleanliness of water resources and, with the Department of Agriculture for Northern Ireland, may prepare a water management programme with respect to water resources in any area. There is a domestic water charge which is contained in the regional rate, while agriculture, commerce and industry pay metered charges. There are abundant potential supplies of water for both domestic and industrial use. An average of 681 Ml of water a day was supplied in 1990-91.

Research

Several organisations and centres of expertise provide water research services to government, the NRA, water companies and the Scottish river purification boards. The Water Research Centre, a private company, has a large programme of research into, for example, environmental issues and drinking water safety. Research carried out by institutes of the Natural Environment Research Council embraces river modelling, water quality, climate change effects on resources and the impact of pollution on freshwater. Among its various roles the Institute of Hydrology studies the statistics of floods and droughts.

16 Agriculture, Fisheries and Forestry

Agriculture

British agriculture is noted for its high level of efficiency and productivity. In 1991 it employed 2.1 per cent of the total workforce and Britain was self-sufficient in 58 per cent of all types of food and animal feed. It was self-sufficient in nearly 74 per cent of indigenous-type food and feed. Food, feed and beverages accounted for over 10 per cent of Britain's imports by value in 1991, compared with about a quarter in the 1960s. The agricultural contribution to gross domestic product was £6,324 million in 1991, about 1.3 per cent of the total. Britain is also a major exporter of agricultural produce and food products, agrochemicals and agricultural machinery.

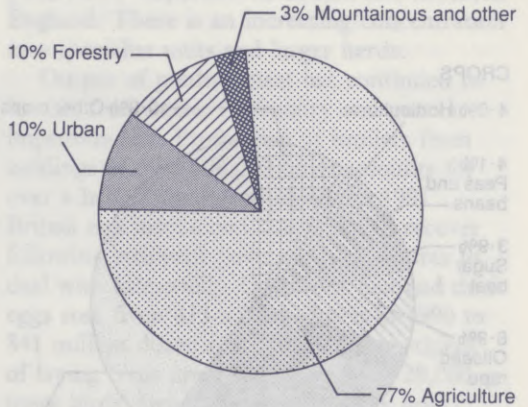
The Government aims to foster an efficient and competitive agriculture industry through the provision and sponsorship of research, development and advisory services; the provision of financial support where appropriate; measures to control disease, pests and pollution; and improved marketing arrangements for food and food products. It also insists on high standards of animal welfare. Agriculture ministers must balance the needs of an efficient agricultural industry with other interests in the countryside. These include conservation of its natural beauty and promotion of its enjoyment by the public.

Land Use

The area of agricultural land has been declining, although there has been a reduction in the net rate of loss in recent years. In 1991 there were just under 11.9 million hectares (29.3 million acres) under crops and grass. Some 5.9 million hectares (14.6 million acres) were used for rough grazing, most of it in hilly areas. Soils vary from the thin poor ones

of highland Britain to the rich fertile soils of low-lying areas such as the fenlands of eastern England. The temperate climate and the relatively even distribution of rainfall over the year ensure a long growing season; streams rarely dry up and grassland normally remains green throughout the year.

Land Use in Britain



Farming

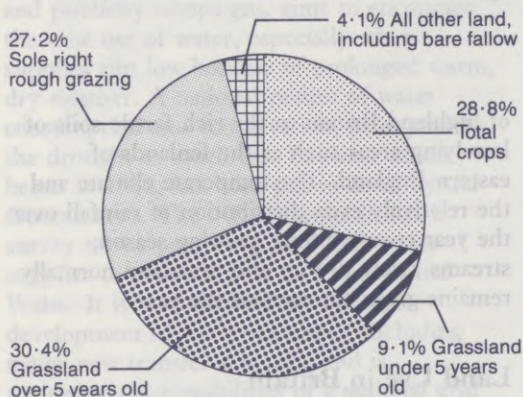
In 1991 there were some 241,000 farm holdings in Britain (excluding minor holdings), with an average size of 71 hectares (175 acres)—again excluding minor holdings. About two-thirds of all agricultural land is owner-occupied. About 40 per cent of holdings are of 4 British Standard Units (BSUs)¹ or less.

The number of people (excluding spouses) engaged in agriculture in 1991 was about 552,000, compared with 565,000 in 1990 and an average of 639,000 in 1980–82. The total for whole-time farmers, partners and

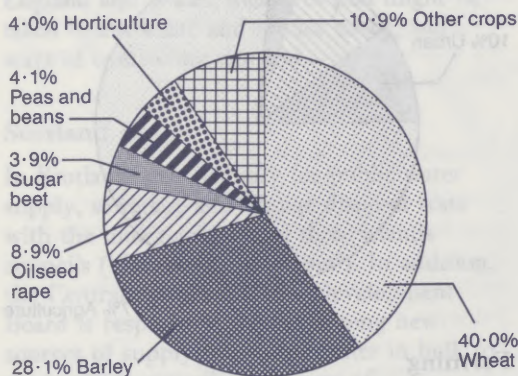
¹ BSUs measure the gross income potential of the holding and 4 BSUs is judged to be the minimum size for full-time holdings.

Agricultural Land Use 1991

TOTAL AREA ON AGRICULTURAL HOLDINGS



CROPS



directors in 1991—about 178,300—had declined from 183,500 in 1990 and from an average of 206,000 in 1980–82. The number of farmers, partners and directors working part-time (100,400 in 1991) has continued to increase (from 98,100 in 1990 and an average of 89,000 in 1980–82). Regular whole-time workers (family and hired) have continued to decline, to 119,500 in 1991, compared with 125,200 in 1990 and an average of 174,000 in 1980–82. The number of regular part-time workers (family and hired) remained at about the same level as in 1990, at some 58,700, compared with an average of 63,000 in 1980–82.

Labour productivity has increased by 51 per cent over the last ten years. Total income from farming (that of farmers, partners, directors and their spouses) was £2,168 million in 1991, 6 per cent less than in 1990.

At the end of 1990 the industry's capital stock amounted to some £23,710 million (compared with £24,000 million at the end of 1989), of which buildings and works made up nearly two-thirds. The overall stock of fixed capital is estimated to be at a similar level to the average for 1980–82. There were over 400,000 tractors and over 40,000 combine harvesters in use during 1988–89.

PRODUCTION

Home production of the principal foods is shown in Table 16.1 as a percentage by weight of total supplies (that is, production plus imports minus exports).

Livestock

Over half of full-time farms are devoted mainly to dairying or beef cattle and sheep. The majority of sheep and cattle are reared in the hill and moorland areas of Scotland, Wales, Northern Ireland and northern and south-western England. Beef fattening occurs partly in better grassland areas, as does dairying, and partly on arable farms. British livestock breeders have developed many of the cattle, sheep and pig breeds with worldwide reputations, for example, the Hereford and Aberdeen Angus beef breeds, the Jersey, Guernsey and Ayrshire dairy breeds, Large White pigs and a number of sheep breeds. Because of developments in artificial insemination and embryo transfer, Britain is able to export semen and embryos from high-quality donor animals.

Cattle and Sheep

Most dairy cattle in Britain are bred by artificial insemination. In 1991 the average size of dairy herds in Britain was 63 (excluding minor holdings), while the average yield of milk per dairy cow was

Table 16.1: British Production as a Percentage of Total New Supplies

Food Product	1980-82 average	1991 (provisional)
Beef and veal	92	95
Eggs	100	95
Milk for human consumption (as liquid)	100	100
Cheese	70	67
Butter	59	60
Sugar (as refined)	51	61
Wheat	98	125
Potatoes	93	90

Source: Ministry of Agriculture, Fisheries and Food.

5,143 litres (1,131 gallons). Average household consumption of liquid (including low-fat) milk per head in 1991 was 1.09 litres (1.91 pints) a week.

About two-thirds of home-fed beef production originates from the national dairy herd, in which the Friesian breed is predominant. The remainder is derived from suckler herds producing high-quality beef calves in the hills and uplands, where the traditional British beef breeds, such as Hereford and Aberdeen Angus, continue to be important. Imported breeds which have been established include the Charolais, Limousin, Simmental and Belgian Blue. In 1991 the size of the beef-breeding herd continued to expand and reached its highest level for 14 years. This increase partially offset the further decrease in the dairy herd.

Britain has a long tradition of sheep production, with more than 40 breeds and many crosses between them. Research has provided vaccine and serum protection against nearly all the epidemic diseases. Although lamb production is the main source of income for sheep farmers, wool is also important.

Grass supplies 60 to 80 per cent of the feed for cattle and sheep. Grass production has been enhanced by the increased use of fertilisers, methods of grazing control, and improved herbage conservation for winter feed. Rough grazings are used for extensively grazed sheep and cattle, producing young animals for fattening elsewhere.

Pigs and Poultry

Pig production occurs in most areas but is particularly important in eastern and northern England. There is an increasing concentration into specialist units and larger herds.

Output of poultry meat has continued to benefit from better husbandry and genetic improvements. Production of broilers from holdings of over 100,000 birds accounts for over a half of total production. In 1991 British egg production continued to recover following stringent government measures to deal with salmonella. Output of hen and duck eggs rose from 813 million dozen in 1990 to 841 million dozen in 1991. Over two-thirds of laying birds are on holdings with 20,000 or more birds. Britain remains broadly self-sufficient in poultry meat and eggs.

Animal Welfare

The welfare of farm animals is protected by legislation and it is an offence to cause unnecessary pain or distress to commercially reared livestock. For example, there are regulations requiring owners of intensive units to arrange for the daily inspection of their stock and the equipment on which it depends. There is increased protection for all livestock, poultry, rabbits and horses at markets, and specific controls on the marketing of foals and calves. There are laws which ban close confinement crates for keeping veal calves, and which will phase out tether and close confinement systems for

Table 16.2: Livestock and Livestock Products

	1980-82 average	1989	1990	1991 (provisional)
Cattle and calves ('000 head)	13,269	11,975	12,059	11,866
Sheep and lambs ('000 head)	32,204	42,988	43,799	43,621
Pigs ('000 head)	7,889	7,509	7,449	7,596
Poultry ('000 head) ^a	80,400	89,246	92,341	94,605
Milk (million litres)	15,557	14,232	14,521	14,077
Eggs (million dozen) ^b	1,127	848	891	922
Beef and veal ('000 tonnes)	1,039	972	998	1,021
Mutton and lamb ('000 tonnes)	280	385	393	418
Pork ('000 tonnes)	716	731	749	797
Bacon and ham ('000 tonnes)	202	194	180	175
Poultry meat ('000 tonnes)	772	993	1,025	1,063

Source: Ministry of Agriculture, Fisheries and Food.

^aIncludes ducks, geese and turkeys. Figures for the latter are for England and Wales only from 1986.

^bFigures revised from those shown in previous editions as a result of changes in survey methodology and grossing-up procedures.

keeping pigs, and protect animals at slaughter from unnecessary pain or distress. The Farm Animal Welfare Council, an independent body set up by the Government, advises on any legislative or other changes it considers necessary. Britain continues to take the lead in pressing for higher standards of animal welfare throughout Europe. The Government's proposed charter on animal welfare in the European Community aims to raise welfare standards.

Crops

The farms devoted primarily to arable crops are found mainly in eastern and central-southern England and eastern Scotland. In Britain in 1991 cereals were grown on 3.52 million hectares (8.7 million acres), compared with 3.66 million (9.04 million acres) in 1990. Production of cereals, at 22.7 million tonnes, was similar to that in 1990. An increase in plantings of higher-yielding wheat contributed to increased output—13.2 million tonnes, compared with 12.9 million tonnes in 1990.

Between 40 and 50 per cent of available domestic wheat supplies (allowing for imports and exports) are normally used for flour milling, and about half for animal feed. About a third of barley supplies are used for malting and distilling, and virtually all the remainder for animal feed.

There was a significant increase in the area planted to oilseed rape—from 390,000 hectares (963,700 acres) in 1990 to an estimated 445,000 hectares (1.1 million acres) in 1991. Production was about 1.31 million tonnes, a small increase over 1990 production.

Large-scale potato and vegetable cultivation is undertaken in the fens (in Cambridgeshire and south Lincolnshire), the alluvial areas around the rivers Thames and Humber, and the peaty lands in south Lancashire. Early potatoes are an important crop in Pembrokeshire (Dyfed), Kent and Cornwall. High-grade seed potatoes are grown in Scotland and Northern Ireland.

Sugar from home-grown sugar beet provides just over 60 per cent of requirements, most of the remainder being refined from raw cane sugar imported levy-free from developing countries under the Lomé Convention (see p 373).

Horticulture

In 1991 the land utilised for horticulture (excluding potatoes) was about 200,000 hectares (494,220 acres). Vegetables grown in the open accounted for 68 per cent of this, orchards for 17 per cent, soft fruit for 7 per cent and ornamentals (including hardy nursery stock, bulbs and flowers grown in the open) for 7 per cent. More than one

vegetable crop is, in some cases, taken from the same area of land in a year, so that the estimated area actually cropped in 1991 was 259,400 hectares (641,000 acres).

Field vegetables account for about one-third of the value of horticultural output and are widely grown throughout the country. Most horticultural enterprises are increasing productivity with the help of improved planting material, new techniques and the widespread use of machinery. Some field vegetables, for example, are raised in blocks of compressed peat or loose-filled cells, a technique which reduces root damage and allows plants to establish themselves more reliably and evenly.

Glasshouses are used for growing tomatoes, cucumbers, sweet peppers, lettuces, flowers, pot plants and nursery stock. Widespread use is made of automatic control of heating and ventilation, and semi-automatic

control of watering. Energy-efficient glasshouses use thermal screens, while low-cost plastic tunnels extend the season for certain crops previously grown in the open. Government grants are available for replacing heated glass and heating systems.

The Government also provides grants for replanting apple and pear trees. Output of apples in Britain in 1991 was some 268,000 tonnes, compared with 270,000 tonnes in 1990.

Under the European Community's Common Agricultural Policy (see below), a wide range of horticultural produce is subject to common quality standards.

Under Community rules, Britain has a production limit of 2.5 million litres of wine a year. It is produced in southern England and south Wales. A pilot Quality Wine Scheme was launched by the Government for the 1991 vintage.

Table 16.3: Main Crops

	1980-82 average	1989	1990	1991 (provisional)
Wheat				
Area ('000 hectares)	1,532	2,083	2,013	1,990
Production ('000 tonnes)	9,163	14,033	14,033	14,333
Yield (tonnes per hectare)	5.98	6.74	6.97	7.20
Barley				
Area ('000 hectares)	2,294	1,653	1,517	1,401
Production ('000 tonnes)	10,502	8,073	7,897	7,707
Yield (tonnes per hectare)	4.58	4.88	5.21	5.50
Oats				
Area ('000 hectares)	140	119	107	105
Production ('000 tonnes)	598	529	530	545
Yield (tonnes per hectare)	4.27	4.46	4.96	5.18
Potatoes				
Area ('000 hectares)	197	175	178	177
Production ('000 tonnes)	6,693	6,262	6,480	6,354
Yield (tonnes per hectare)	33.97 ^a	35.78	36.40	35.89
Oilseed rape				
Area ('000 hectares)	130	321	390	445
Production ('000 tonnes)	407	976	1,258	1,308
Yield (tonnes per hectare)	3.12	3.04	3.23	2.94
Sugar beet				
Area ('000 hectares)	209	197	194	196
Production ('000 tonnes)	8,261	8,113	7,902	7,900
Yield (tonnes per hectare)	39.57	41.28	40.66	40.32

Sources: *Agriculture in the United Kingdom: 1991 and Agricultural Census June 1991*.

^a 1982 figure only

Organic Farming

The Government aims to establish a framework in which organic farming in Britain can respond to consumer demand. The organic sector is eligible for the support given to all farmers under a number of general schemes. Other support includes a significant commitment to research and development.

The United Kingdom Register of Organic Food Standards (UKROFS) is an independent body set up in 1987 with government support. It has established national voluntary standards for organic food production tied to a certification and inspection scheme. It is also responsible for enforcing the Community regulation on organic foodstuffs, adopted in June 1991, which sets production, processing and labelling standards for organic produce within the Community.

FOOD SAFETY

Government spending on programmes to promote food safety and against diseases affecting food supply is over £100 million in 1992–93. Its expenditure on food safety research will total £18.5 million. Recent investigations have covered the performance of microwave ovens and the handling of chilled food.

The Food Safety Directorate within the Ministry of Agriculture, Fisheries and Food focuses ministry resources on ensuring adequate supplies of the right kinds of food, and its safety, wholesomeness and proper labelling, through regulations and guidelines. Food safety responsibilities are separated from food production and agriculture responsibilities within the Ministry. The Government's commitment to food safety was emphasised by the Food Safety Act 1990, which ensures food safety and consumer protection throughout the food chain. It combines basic provisions with wide enabling powers, so that detailed regulations made under the Act can adapt to technological change and innovation. It also introduces more effective enforcement powers and greatly increased penalties for offenders.

The Food Advisory Committee advises ministers on the exercise of powers relating to the labelling, composition and chemical safety of food. The Advisory Committee on Novel Foods and Processes advises on any matter relating to the irradiation of food or to the manufacture of novel foods or foods produced by novel processes. The Steering Group on the Chemical Aspects of Food Surveillance is charged with keeping under review possible chemical contamination of the national food supply and monitoring the intakes of food additives and nutrients. The Advisory Committee on the Microbiological Safety of Food advises on matters relating to this topic and there is also a Steering Group on the Microbiological Safety of Food.

In addition, a consumer panel—nine consumer members nominated by the main consumer organisations, but appointed to serve as individuals—gives consumers a direct means of conveying their views on food safety and consumer protection issues to the Government.

National regulations to implement Community measures have also been introduced. In 1991 these covered exports, packaging materials in contact with food, additives, fruit juices and animal feed.

EXPORTS

Today Britain imports about 42 per cent of its food. The Government encourages the growth of exports related to agriculture. The volume of these exports rose in 1991, when their value amounted to £5,792 million, the main markets being Western Europe, North America and the Middle East. Exports include speciality products such as fresh salmon, Scotch whisky, biscuits, jams and conserves, as well as beef and lamb carcasses and cheese.

Food From Britain is an organisation funded by the Government and industry, which aims to assist the food and drink industry in Britain to improve its marketing at home and overseas. In Britain, it runs promotional campaigns and quality assurance schemes among other marketing activities and works with farmers and producers to develop market-led enterprises. Through its export association, the British Food Export Council,

and its network of seven overseas offices, Food From Britain is able to identify market opportunities, provide introductions to buyers and arrange in-store promotions. Food From Britain also co-ordinates the British presence at major international food and drink trade exhibitions worldwide. The British Agricultural Export Committee of the London Chamber of Commerce represents exporters of technology, expertise and equipment.

The Agricultural Engineers' Association represents exporters of agricultural and horticultural machinery. In 1991 Britain exported £2,080 million of farm machinery and spares.

One of the world's largest agricultural events, the annual Royal International Agricultural Exhibition, held at Stoneleigh in Warwickshire, provides an opportunity for visitors to see the latest techniques and improvements in British agriculture. Over 189,000 visitors attended in 1992, of whom 25,500 were from overseas. Virtually every British agricultural machinery manufacturer is represented at the exhibition, which is also the most important pedigree livestock event in the country. Other major agricultural displays include the annual Royal Smithfield Show, held in London, which exhibits agricultural machinery, livestock and carcasses; the Royal Highland Show; the Royal Welsh Show; and the Royal Ulster Agricultural Show. There are also important regional shows.

MARKETING

Agricultural products are marketed by private traders, producers' co-operatives and marketing boards. The latter are producers' organisations (each including a minority of independent members appointed by agriculture ministers) with certain statutory powers to regulate the marketing of milk, wool and potatoes. For the most part the boards buy from producers or control contracts between producers and first-hand buyers; the Potato Marketing Board, however, maintains only a broad control over marketing conditions, leaving producers free to deal individually with buyers. For home-grown cereals, meat and livestock, apples and

pears, there are marketing organisations representing producer, distributor and independent interests.

Food From Britain is responsible for improving the marketing of food and agricultural products, both in the domestic market and abroad. Its quality assurance schemes guarantee a repeatable quality in a number of product sectors.

Co-operatives

A substantial amount of agricultural and horticultural produce, such as grain, fruit and vegetables, is handled by marketing co-operatives, which had a turnover of £2,830 million in 1988. They have been formed to meet the demand from retailers for a continuous supply of fresh, quality produce. Food From Britain provides a range of advisory services for co-operatives.

ROLE OF THE GOVERNMENT

Four government departments have joint responsibility—the Ministry of Agriculture, Fisheries and Food; the Scottish Office Agriculture and Fisheries Department; the Welsh Office; and the Department of Agriculture for Northern Ireland.

Common Agricultural Policy

The European Community's Common Agricultural Policy (CAP) accounts for about two-thirds of the Community's budget and aims to ensure stable agricultural markets and a fair standard of living for agricultural producers, and to guarantee regular supplies of food at reasonable prices. For many commodities minimum prices are set annually at which agencies of the member states will purchase products, and there are levies on imports to maintain internal support prices. Surpluses are bought by intervention boards (the Intervention Board executive agency in Britain) to be stored and sold when appropriate. Intervention stocks can be disposed of within the Community where this can be done without disrupting internal markets. Exports are facilitated by the provision of export refunds to bridge any gap

between Community prices and world prices. In some cases, in particular in the beef and sheep sectors, there are also direct payments to producers—the suckler cow premium and the annual premium on ewes.

The support prices, as well as rates of levy, export refunds and other aids, are set in European Currency Units and are converted into the currencies of the member states at fixed rates of exchange—‘green rates’—which can be out of line with the market rate of exchange between each currency and the European Currency Unit. Monetary compensatory amounts, based on the percentage difference between the green and market rates of each currency, are applied to prevent distortions in trade.

Nearly all the Community’s agricultural expenditure (£24,105 million in 1991) is channelled through the European Agricultural Guidance and Guarantee Fund. The Fund’s guarantee section finances market support arrangements, while the guidance section provides funds for structural reform—for example, farm modernisation and investment—and payments to assist certain farmers to change to alternative enterprises.

Agricultural production under the CAP has increased considerably in recent years, reflecting rapid technical progress and farming efficiency as well as the high level of

price support. As consumption has remained relatively stable, this has resulted in the emergence of surpluses.

Britain has consistently pressed for CAP reform, to bring supply and demand into better balance, to increase the role of market forces in agriculture and to make environmental considerations an integral part of the CAP. Since 1988 there has been a legally binding limit on CAP market support expenditure. Stabilisers, brought in or extended for most CAP commodities, ensure that CAP support is automatically cut if production exceeds specified quantities. Significant price cuts of up to 20 per cent have already been made in a number of sectors.

Each annual price-fixing settlement since 1988 has consolidated this reform process, the cost being within the guidelines established by the Council of Ministers, and the stabiliser mechanisms have remained intact. The settlements have also helped to improve the competitive position of British farmers.

Reform

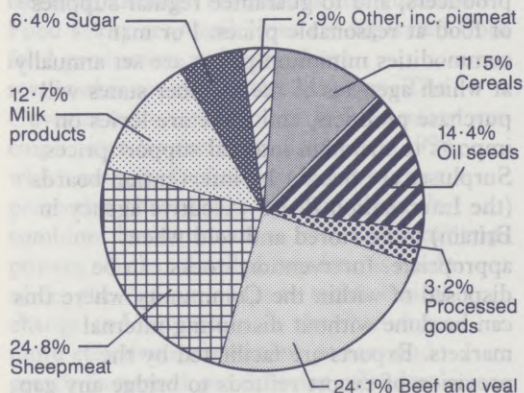
In 1991 the European Commission published detailed reform proposals for consideration by member states. Ministerial negotiations culminated in the agreement reached in May 1992 on measures to reform the CAP in the arable, milk, beef and sheepmeat sectors and on support prices for the 1992–93 marketing year.

Arable Crops. From the start of the 1993–94 marketing year a new price support structure for cereals will come into effect. A new target price is to be established, and over three years this will be reduced progressively from the present level by about 30 per cent. An intervention price will set the minimum support level for Community cereals.

As a result of the price cuts, producers’ returns for growing cereals are to be reduced. To compensate, producers will be offered a direct subsidy on an area basis provided that they agree to take 15 per cent of their arable land out of production. They will be required to do this from autumn 1992; those with only small arable areas, however, are exempt. If these measures prove less effective than expected in reducing production, the

Public Expenditure under the CAP by the Intervention Board and the Agricultural Departments

FORECAST 1991/2



Community will be able to increase the 15 per cent level.

Pigs and Poultry. Pig and poultry farmers are expected to benefit from lower feed costs.

Beef. The intervention price for beef for 1992–93 has been frozen. From 1 July 1993 it will be reduced by 15 per cent over three years. Ceilings will be introduced progressively from the start of 1993 on the annual amount which may be purchased into intervention. This will be 750,000 tonnes in 1993, falling to 350,000 tonnes in 1997. In 1991–92 over 1 million tonnes of beef were purchased into intervention.

There will be a significant increase in the beef special premium (subject to regional ceilings on the number of claims) and the suckler cow premium paid to producers. There will be no headage limits on the suckler cow premium as originally proposed by the Community.

Sheep. Basic sheepmeat support prices for 1993 will remain at the 1992 level. But from 1993 ewe premium will be paid on individual producer quotas, which will set a limit on the number of animals eligible for ewe premium in future.

Milk. Milk support prices for 1992–93 have been frozen. In 1993–94 and 1994–95, however, the butter support price will be cut by 2.5 per cent a year. There will be no cuts in national milk production quotas for 1992–93. Quota cuts of 1 per cent in 1993–94 and 1994–95 have been agreed in principle—subject to Community review.

Environment. All member states will run programmes to encourage environmentally sensitive farming. These schemes may be drawn from the following list:

- extensification² of crop or livestock production where this would be environmentally beneficial;
- organic farming;
- environmentally friendly management of farmland;
- environmental upkeep of abandoned land;
- setting aside farmland for at least 20 years for environmental purposes; and

- management of land for public access and recreation.

Member states have until June 1993 to draw up area programmes covering their entire territory.

Forestry. The agreement offers higher Community reimbursement for afforestation of agricultural land and for premium payments to farmers. It also offers limited premium payments to non-farmers, to aid the initial maintenance of trees.

GATT Uruguay Round

Agriculture was identified as a major issue for the GATT round of multilateral trade negotiations launched in 1986 (see p 373). These aimed to achieve a freer and more market-oriented agricultural trading system, and to agree cuts in production—and exemptions from them. The Community proposed reform on an aggregate measure of support, which would be reduced by 30 per cent between 1986 and 1996, with credit for reforms already made. Tariffs would replace other restrictions on market access, and be reduced over the next five years, with a corrective mechanism reflecting changes in world markets.

Negotiations resumed in 1991. Participants in the eighth round agreed to reach specific binding commitments on internal support, border measures and export competition.

Price Guarantees, Grants and Subsidies

Expenditure in Britain in 1991–92 on price guarantees, grants and subsidies and on CAP market regulations was estimated to be £350 million and £1,736 million respectively. About £1,745 million is to be reimbursed from the Community budget.

Potatoes and wool are not covered by the CAP; potato market support measures are operated through the Potato Marketing Board and the Department of Agriculture for Northern Ireland, and a price stabilisation fund for wool is administered by the British Wool Marketing Board. The Government intends to end the guarantee arrangements when parliamentary time permits.

Farmers are eligible for grants aimed at

² Extensification is the reduction of surpluses through the offer of financial payments to farmers to lessen production.

environmental enhancement of their farms and pollution control. Hill and upland farmers can also benefit from headage payments on cattle and sheep, known as compensatory allowances. Launching aid is available to production and marketing groups in the horticultural sector.

In Less Favoured Areas (LFAs), where land quality is poor, farmers benefit from enhanced rates of grant and special payments on livestock. Their purpose is to support the continuation of livestock farming in the hill and upland areas, thereby conserving the countryside and maintaining a viable population in the LFAs.

Smallholdings and Crofts

Local authorities provide over 5,500 statutory smallholdings in England and just under 900 in Wales. They make loans of up to 75 per cent of required working capital to their tenants. Land settlement in Scotland has been carried out by the Government, which, while now seeking to dispose of holdings to its sitting tenants, still owns and maintains 120,228 hectares (296,963 acres) of land settlement estates, comprising 1,455 crofts and holdings.

In the crofting areas of Scotland (the former counties, in the Highlands and Islands, of Argyll, Inverness, Ross and Cromarty, Sutherland, Caithness, Orkney and Shetland) much of the land is held by tenants as 'crofters'. They enjoy the statutory protection provided by crofting legislation and can benefit from government schemes which exist to support and help crofting communities. Most crofters are part-time or spare-time agriculturalists using croft income to supplement income from activities such as weaving, fishing, tourism and other occupations. The Crofters Commission has a statutory duty to promote the interests of crofters and to keep all crofting matters under review.

Tenancy Legislation

Approximately 35 per cent of agricultural land in England and Wales is tenanted. The agricultural holdings legislation protects the

interests and rights of landlords and tenants, with provision for arbitration in the event of a dispute. Most agricultural tenants have the right to contest a notice to quit, which is then ineffective unless the landlord obtains consent to its operation from an independent body (in England and Wales, the Agricultural Land Tribunal and in Scotland, the Scottish Land Court). On termination of tenancy, the tenant is entitled to compensation in accordance with a special code. Practically all farms in Northern Ireland are owner-occupied, but, under a practice known as 'conacre', occupiers not wishing to farm all their land let it annually to others. About one-fifth of agricultural land is let under this practice and is used mainly for grazing.

Agriculture and Protection of the Countryside

Agriculture ministers have a general duty, under the Agriculture Act 1986, to seek to achieve a reasonable balance between the needs of an efficient and stable agriculture industry and other interests in the countryside, including the conservation of its natural beauty and amenity and the promotion of its enjoyment by the public. In addition, they are required to further conservation of the countryside in the administration of farm capital grant schemes both in National Parks and in Sites of Special Scientific Interest designated by the nature conservancy bodies.

Environmentally Sensitive Areas

Under the Environmentally Sensitive Areas (ESA) Scheme, a British idea which other European Community members are following, 19 areas in Britain—ten in England, five in Scotland, two in Wales and two in Northern Ireland—have been designated. Twelve further areas in England, five in Scotland, four in Wales and two in Northern Ireland, have been proposed for designation over the next couple of years. The Scheme is designed to help protect some of the most beautiful parts of the country from the damage and loss that can come from agricultural change. ESAs are notable for

their landscape, wildlife or historic importance.

Since the Scheme began in 1987, each ESA's environmental and economic impact has been closely monitored. Following a review of the first areas, significant changes and improvements have been made to the Scheme, including opportunities for farmers to restore key environmental features of their land.

Environmentally Sensitive Areas are unique and diverse in character, and include the heather moorlands of the North Peak and grassland of the Broads in England; the landscape of the Cambrian Mountains in Wales; part of the coastal areas of the North and South Uists, Benbecula, Barra and Watersay in the Outer Hebrides off north-west Scotland; and the steep sided glens and unique farming patterns of Antrim in Northern Ireland.

Participation in the ESA scheme is voluntary, and farmers enter into agreements with the relevant Ministry; initially they lasted for five years. In the reviewed areas ten-year agreements are offered—with a five-year break clause. An agreement specifies the agricultural management practices to be carried out by the farmer. Each ESA has varying tiers of management practices, from basic care and maintenance to more extensive forms of management. Details vary from one ESA to another, but all participants are prohibited from converting grassland to arable and are subject to restrictions on fertiliser and chemical usage. Most ESAs also restrict the numbers of stock that can be carried on the land as well as other operations—including the timing of cultivation. The annual payments are designed to compensate the farmers for reduced profitability, through the adoption of these less intensive production methods, and for the further work some management practices require. In Scotland additional payments are made for distinct items of conservation work set out in a mandatory farm conservation plan. Annual government expenditure on payments to

farmers within ESAs throughout Britain is expected to rise to £64.5 million in 1994–95.

At the end of 1991 some 340,000 hectares (840,000 acres) of farmland were within the ESAs in England; 193,000 hectares (477,000 acres) in Wales; 220,000 hectares (540,000 acres) in Scotland; and 40,000 hectares (100,000 acres) in Northern Ireland. Some 3,100 farmers in England, 715 in Wales, 800 in Scotland and 1,030 in Northern Ireland have signed management agreements. Some 114,000 hectares (280,000 acres) in the English ESAs were covered by the agreements; 61,000 hectares (150,000 acres) in Wales; 120,000 hectares (300,000 acres) in Scotland; and 22,000 hectares (54,000 acres) in Northern Ireland.

Other Schemes

Farmers are encouraged to develop new sources of income as an alternative to surplus production through grants to diversify into tourism and other non-agricultural activities on the farm. The Farm Woodland Premium Scheme, introduced in 1992, assists the planting of woodlands on agricultural land, with incentives for broadleaved trees. Annual incentives of up to £250 a hectare are to be paid for either ten or 15 years, depending on the type of woodland created on arable or improved grassland. Annual incentives of £60 a hectare are to be paid for trees planted on unimproved grassland in the LFAs. Planting must not, in aggregate, exceed more than 50 per cent of any individual agricultural unit.

The European Community set-aside scheme, introduced in Britain in 1988, offers annual payments to farmers to take at least 20 per cent of their arable land out of agricultural production for five years. Additional payments for managing five-year set-aside land for the benefit of wildlife, landscape and the local community are available under the Countryside Premium Scheme (at present limited to eastern England). The Farm and Conservation Grant Scheme, part-funded by the European Community, provides grants for farmers to undertake environmental improvements and a limited range of farm investments. Under pilot Beef and Sheep Extensification

Schemes, farmers receive annual compensation payments to reduce output by at least 20 per cent and to maintain this reduction over a five-year period. The Government has also designated ten nitrate-sensitive areas in England, where payments have been made to farmers who voluntarily undertake to restrict their agricultural practices and thus prevent unacceptable levels of nitrate leaching from farmland into water sources.

In the Highlands and Islands of Scotland the Rural Enterprise Programme offers special funding, with Community support, to encourage farmers and crofters to develop new businesses.

Farm Diversification

Farm-based enterprises other than food production have become increasingly important. A survey published in 1991 calculated that diversified enterprises generated an average trading profit of over £5,000 a year, with 80 per cent of farmers considering their ventures to be successful. The most common diversification enterprises provide leisure amenities such as golf courses, tourist accommodation, or riding. Often such enterprises are small-scale, with low financial returns. In contrast, many farmers run large-scale farm shops which make a substantial contribution to farm business income. Farm diversification is estimated to provide over 30,000 full-time jobs. The Government gives grants for some types of enterprise. At the end of June 1992 over £9 million had been committed.

Agricultural Training

The Agricultural Training Board receives government grant to arrange training for the agricultural industry. The Board has evolved a more strategic role, as a broker for training provision rather than as a direct course provider. A network of employer-led local boards has been set up, to identify and arrange local training needs in co-operation with existing training providers (primarily agricultural colleges) and in liaison with Training and Enterprise Councils. Training

provision is arranged through some 600 autonomous training groups throughout Great Britain.

Professional, Scientific and Technical Services

In England and Wales the Agricultural Development and Advisory Service (ADAS), an executive agency, provides a wide range of professional, scientific and technical services for agriculture and its ancillary industries. Most types of advice and servicing are on a fee-paying basis, although initial advice to farmers on conservation, rural diversification (including use of land for woodlands) and animal welfare is available free. Similar services are provided in Scotland by the Scottish Office Agriculture and Fisheries Department through the Scottish Agricultural College. In Northern Ireland these services are available from the Department of Agriculture's agriculture and science services.

These organisations also advise the Government on the scientific, technical and business implications of policy proposals and assist in implementing policies concerning disease and pest eradication, food hygiene, animal welfare, land drainage and other capital grant schemes, and safeguarding agricultural land in relation to other land uses.

ADAS carries out research and development work under commission from the Ministry of Agriculture, Fisheries and Food, and works under contract directly for others and for levy-funded bodies. These undertakings are carried out at a range of experimental husbandry farms across England and Wales, and through regional centres or on clients' premises. The Central Science Laboratory also carries out research and development work commissioned by the Ministry.

CONTROL OF DISEASES AND PESTS

Farm Animals

Britain is free from many serious animal illnesses. If they were to occur, diseases such as foot-and-mouth disease and classical swine

fever would be combated by a slaughter policy applied to all animals infected or exposed to infection, and by control over animal movements during the outbreaks.

The Government has taken comprehensive measures to tackle the cattle disease bovine spongiform encephalopathy and to ensure that consumers are protected from any remote risk. It has:

- banned the feeding of ruminant protein to ruminants;
- ordered the destruction of the milk and carcasses of affected animals;
- banned from human or animal use those offals from other cattle which might be harbouring the agent; and
- committed significant funding for research.

It has also established an expert committee to advise on matters relating to spongiform encephalopathies.

The Government has ordered restrictions on the movement of pigs to prevent the spread of blue-eared pig disease.

Strict controls are exercised on the import of animals, birds, meat, and meat products so as to prevent the introduction of animal or avian diseases. Special measures apply to prevent the introduction of rabies, and dogs, cats and certain other mammals are subject to import licence and six months' quarantine. There are severe penalties for breaking the law. There have been no cases of rabies outside quarantine in Britain since 1970.

Professional advice and action on the control of animal disease and the welfare of farm livestock are the responsibility of the government State Veterinary Service. Its laboratory facilities and investigation centres perform specialist research work and advise private practitioners responsible for treating animals on the farm.

Fish

The fisheries departments operate statutory controls to prevent the introduction and spread of serious diseases of fish and shellfish. These controls include the licensing of live fish imports, the licensing of

deposits of shellfish on the seabed, and movement restrictions on sites where outbreaks of notifiable diseases have been confirmed.

Plants

The agriculture departments are responsible for limiting the spread of plant pests and diseases and for preventing the introduction of new ones. They also issue the health certificates required by other countries to accompany plant material exported from Britain. Certification schemes encourage the development of healthy and true-to-type planting stocks.

Pesticides

There are strict controls on the supply and use of pesticides, and their maximum residue levels. All pesticides supplied in Britain must be approved for their safety and efficacy in use. Controls on pesticides are the joint responsibility of six government departments on the basis of advice from the independent Advisory Committee on Pesticides. The Government is currently reviewing pesticides approved before 1981.

Veterinary Medicinal Products

The manufacture, sale and supply of veterinary medicinal products are prohibited except under licence. Licences are issued by the agriculture ministers, who are advised on safety, quality and efficacy by the Veterinary Products Committee, which comprises independent experts.

Fisheries

Britain, one of the European Community's leading fishing nations, plays an active role in the implementation and development of the Community's Common Fisheries Policy (CFP) agreed in 1983. The CFP covers access to coastal waters, the conservation and management of fish stocks, fisheries arrangements with third countries, the allocation of catch quotas among member

states, the trade in and marketing of fish and fish products, and financial aid to promote the adaptation and development of the Community's fishing fleet.

The fishing industry provides 59 per cent by quantity of British fish supplies, and is an important source of employment and income in a number of ports.

Cod, haddock, whiting, herring, plaice and sole are found in the North Sea off the east coasts of Scotland and England; mackerel, together with cod and other demersal fish, off the west coast of Scotland; sole, plaice, cod, herring and whiting in the Irish Sea; and mackerel, sole and plaice off the south-west coast of England. Nephrops, crabs, lobsters and other shellfish are found in the inshore waters all around the coast.

At the end of 1990 there were 16,967 fishermen in regular employment and 5,088 occasionally employed. The Government aims to encourage the development of a viable, efficient and market-oriented fisheries industry within the CFP framework. Two main policy issues are conservation of fish stocks and capacity of the fleet.

Fish Caught

In 1990 demersal fish (caught on or near the bottom of the sea) accounted for 44 per cent by weight of total British landings, pelagic fish (caught near the surface) for 41 per cent and shellfish for 15 per cent. Landings of all types of fish (excluding salmon and trout) by British fishing vessels totalled 621,510 tonnes. Cod and haddock represented 23 and 18 per cent respectively of the total value of demersal and pelagic fish landed, while anglerfish (8 per cent), whiting (8 per cent), plaice (7 per cent), mackerel (5 per cent), and sole (4 per cent) were the other most important sources of earnings to the industry. The quayside value of the British catch of wetfish and shellfish in 1990 was £431 million. Landings of nephrops represented 11 per cent of the total value of all British landings of fish and shellfish in 1990.

Imports of fresh, frozen, cured and canned salt-water fish and shellfish in 1991 totalled 287,079 tonnes, those of freshwater fish 46,835 tonnes, those of fish meal 258,453

tonnes and those of fish oils 4,771 tonnes. Exports and re-exports of salt-water fish and fish products amounted to 390,267 tonnes and those of freshwater fish to 23,622 tonnes.

The Fishing Fleet

At the end of 1991 the British fleet consisted of 10,871 registered vessels, including 424 deep-sea vessels longer than 24.4 m (80 feet).

Among the main ports from which the fishing fleet operates are Aberdeen, Peterhead, Fraserburgh (Grampian), Lerwick (Shetland), Kinlochbervie, Ullapool (Highland), North Shields (Tyne and Wear), Grimsby (Humberside), Lowestoft (Suffolk), Brixham (Devon), Newlyn (Cornwall), and Kilkeel, Ardglass and Portavogie (Northern Ireland).

With the extension of fishery limits to 200 miles, Britain's distant water fleet was considerably reduced. A much smaller fleet has, however, continued to maintain its activities in distant waters.

The Government, in accordance with the CFP agreement, aims to conserve fish stocks, and to reduce total fish mortality, by restricting the time fishing vessels may spend at sea and to set down, as a licence condition, precisely how time at sea will be defined, notified and controlled. Its policy comprises decommissioning, an extension of licensing, technical conservation and 'effort control'. It is to make £25 million available for a cash-limited decommissioning scheme. Licensing is to be extended to the 7,000 vessels of 10 m and under in length.

Fish Farming

Fish farming production is centred on Atlantic salmon and rainbow trout, which are particularly suited to Britain's climate and waters. Production of salmon and trout has grown from less than 1,000 tonnes in the early 1970s to some 40,000 tonnes of salmon and 13,500 tonnes of trout in 1991. Scotland produces the largest amount of farmed salmon (40,000 tonnes in 1991—with a first-

sale value of £130 million) in the European Community. Shellfish farming concentrates on molluscs such as oysters, mussels, clams and scallops, producing an estimated 5,000 tonnes a year.

The fish and shellfish farming industries make an important contribution to rural infrastructure, especially in remote areas such as the Highlands and Islands of Scotland. In 1991 the industries were estimated to have a combined wholesale turnover of some £150 million. Production is based on almost 1,200 businesses operating from some 1,800 sites and employing more than 5,000 people.

Administration

The fisheries departments are responsible for the administration of legislation concerning the fishing industry and for fisheries research. The safety and welfare of crews of fishing vessels and other matters common to shipping generally are provided for under legislation administered by the Department of Transport.

The Sea Fish Industry Authority is concerned with all aspects of the industry, including consumer interests. It undertakes research and development, provides training, and encourages quality awareness. It also administers a government grant scheme for fishing vessels, to promote a safe, efficient and modern fleet.

Fishery Limits

Only British vessels may fish within 6 miles of the coast; certain other Community member states have traditional fishing rights between 6 and 12 miles, as British vessels have in other member states' coastal waters. Outside 12 miles the only non-Community countries whose vessels may fish in Community waters are those (for example, Norway) with which the Community has reciprocal fisheries agreements.

Common Fisheries Policy

The CFP's system for the conservation and management of the Community's fishing resources means that total allowable catches—with these decisions based partly on

independent scientific advice—are set each year in order to conserve stocks. These catch levels are then allocated between member states on a fixed percentage basis, taking account of traditional fishing patterns.

Activity is also regulated by a number of technical conservation measures, including minimum mesh sizes and the kind of gear used by fishermen, minimum landing sizes and closed areas designated mainly to protect young fish. Each member state is responsible for ensuring that its fishermen abide by the various fisheries regulations and their performances are monitored by the Community's inspectors.

The 1983 settlement also covered the common organisation of the market in fish and fish products, and a policy for restructuring the Community fleet during 1987–97, designed to address the problem of over-capacity. The measures include financial assistance for the building and modernisation of fishing vessels.

Fishery relations between the European Community and other countries are extensive and are governed by different agreements. Those of most importance to Britain are with Norway, Greenland, the Faroe Islands and Sweden. Annual Community quotas have also been established in international waters in the north-west Atlantic and around Svalbard.

Fish Hygiene Directive

The single European market aims to facilitate trade among Community members and to protect public health by harmonising measures for the handling and treatment of all fish and shellfish (including aquaculture products) at all stages up to, but excluding, retail level. It will take effect from 1 January 1993, and lays down rules to ensure the safe and hygienic handling of fish and fish products. This includes the conditions on board factory vessels; requirements during and after landing, including auction markets on shore; and establishments on land, primarily processors. The single market provisions also lay down the conditions for processed products, as well as hygiene rules for those who come into contact with fish and fish products.

Salmon and Freshwater Fisheries

Salmon and sea-trout are fished commercially in inshore waters around the British coast. Eels and elvers are also taken commercially in both estuaries and freshwater. Angling for salmon and sea-trout (game fishing) and for other freshwater species (coarse fishing) is popular throughout Britain. In England and Wales fishing is licensed by the National Rivers Authority; in Scotland salmon fishing is administered by salmon district fishery boards. In Northern Ireland fishing is licensed by the Fisheries Conservancy Board for Northern Ireland and the Foyle Fisheries Commission in their respective areas, and 65 public angling waters, including salmon, trout and coarse fisheries, are accessible to Department of Agriculture permit holders.

Agriculture, Fisheries and Food Research

The total government-funded programme of research and development in agriculture, fisheries and food in 1992-93 amounts to some £305 million, including funding by the Ministry of Agriculture, Fisheries and Food, the Scottish Office Agriculture and Fisheries Department, the Department of Agriculture for Northern Ireland and the Office of Science and Technology. The agriculture departments, the Agricultural and Food Research Council (AFRC) and private industry share responsibility for research, which is carried out in a network of research institutes, specialist laboratories and experimental husbandry farms, and with Horticulture Research International (HRI; established in 1990) and in higher education institutions.

Agriculture and Food Research

The research aims to maintain an efficient and competitive industry in Britain consistent with high standards of animal welfare and care for the environment. The work of the AFRC and the agriculture departments is co-ordinated into national programmes,

primarily on the recommendations of the Priorities Board for Research and Development in Agriculture and Food. The Board advises on the research needs and on the allocation of available resources between and within areas of research.

The AFRC (see p 384), a non-departmental public body, receives funds from the science budget through the Office of Science and Technology, and income from work commissioned by the Ministry of Agriculture, Fisheries and Food, by industry and by other bodies. The Council is responsible for research carried out in its seven institutes and in British higher education institutions through its research grants scheme. In addition to commissioning research with the AFRC and other organisations, such as HRI, the Ministry commissions research and development at its Food Science Laboratory, at the Central Veterinary Laboratory and at the Central Science Laboratory, and with ADAS.

The five Scottish Agricultural Research Institutes, funded by the Scottish Office Agriculture and Fisheries Department, cover areas of research complementary to those of the AFRC institutes, while including work relevant to the soils, crops and livestock of northern Britain. Development work in Scotland is carried out by the Scottish Agricultural College, which operates from three centres.

In Northern Ireland basic, strategic and applied research is carried out by the Department of Agriculture in its specialist research divisions and at its three agricultural colleges. It also has links with the Queen's University of Belfast and the Agricultural Research Institute of Northern Ireland.

In addition, the food industry funds or undertakes relevant research. The Government funds strategic research essential for the public good, for example, into food safety, human health, animal welfare and flood protection, but has withdrawn funding from research which promises commercial application or exploitation within a reasonable timescale—for which it looks to industry to take on a greater degree of funding.

In 1992-93 the Ministry will spend

£30 million of its £131 million annual research budget on research relevant to the environment. This includes the protection of the countryside, water supplies and rivers; ensuring that straw and other crop residues are disposed of other than by burning—a practice to be banned after the 1992 harvest; reducing the use of pesticides to the minimum compatible with efficient production; flood and coastal defences; and care of the marine environment. By the end of 1992–93 the Ministry will have spent £12 million on research into bovine spongiform encephalopathy.

Fisheries and Aquatic Environment Research

The Ministry of Agriculture, Fisheries and Food laboratories deal with marine and freshwater fisheries, shellfish, marine pollution, fish farming and disease. Research work is also commissioned by the Ministry with the Natural Environment Research Council, with the Sea Fish Industry Authority and with a number of universities and polytechnics. The Ministry has two seagoing research vessels. In Scotland, the Scottish Office Agriculture and Fisheries Department undertakes a similar, and complementary, range of research and also has two seagoing vessels. The Department of Agriculture laboratories in Northern Ireland undertake research on marine and freshwater fisheries, and also have a seagoing research vessel.

Forestry

Woodland covers an estimated 2.35 million hectares (5.8 million acres) in Britain: about 7 per cent of England, 15 per cent of Scotland, 12 per cent of Wales and 6 per cent of Northern Ireland—about 10 per cent of the total land area and well below the 25 per cent average for the whole of Europe. The Government supports the continued expansion of forestry, which makes an increasing contribution to meeting the national demand for timber; brings employment in forestry and related industries;

creates opportunities for recreation and public access to the countryside; is a component of landscapes and a habitat for wildlife; and provides an effective means by which carbon dioxide can be absorbed from the atmosphere and stored over long periods. Over 230,000 hectares (570,000 acres) of new forest have been created during the last decade, mainly on the initiative and enterprise of private owners.

The area of productive forest in Great Britain is 2.15 million hectares (5.3 million acres), 40 per cent of which is managed by the Forestry Commission. The rate of new planting in 1991–92 was 2,999 hectares (7,410 acres) by the Commission and 14,270 hectares (35,260 acres) by other woodland owners, with the help of grants from the Commission, mainly in Scotland. The planting of broadleaved trees is encouraged on suitable sites and in 1991–92, 7,070 hectares (17,470 acres) of broadleaved trees were planted. An increasing proportion of new planting is by private owners.

Wood production has nearly doubled since 1970. British woodlands meet 15 per cent of the nation's consumption of wood and wood products. The volume of timber harvested on Commission lands in 1991–92 totalled 3.9 million cubic metres (137 million cubic feet).

The Commission's expanded Woodland Grant Scheme pays establishment grants to help in the creation of new woodlands and forests and for the regeneration of existing ones. It highlights such features as native tree species, woody shrubs, short-rotation coppice and agroforestry. Management grants under the scheme contribute to the cost of managing woodlands to provide silvicultural, environmental and social benefits. Supplements are available for planting community woodlands and for planting on better land.

Total employment in state and private forests in Great Britain was estimated at 42,000 in 1990, including about 10,000 people engaged in the haulage and processing of home-grown timber.

The Forestry Commission and Forestry Policy

The Forestry Commission, established in 1919, is the national forestry authority in Great Britain. The Commissioners give advice on forestry matters and are responsible to the Secretary of State for Scotland, the Minister of Agriculture, Fisheries and Food, and the Secretary of State for Wales.

Within the Commission, reorganised in 1992, the Forestry Authority administers felling licence procedures, provides advice to private woodland owners, administers payment of grants for approved planting and restocking schemes, and liaises with local authorities and woodland and countryside groups. Forest Enterprise develops and manages the Commission's forests and forestry estate as a multiple-use resource, providing timber for the wood-using industries and opportunities for recreation, and is responsible for nature conservation and the forest environment. A Policy and Resources Group is responsible for parliamentary business, policy development, and European and international liaison.

The Commission has sold 79,000 hectares (195,000 acres) of plantation and plantable land since 1981 and has been asked by the Government to dispose of a further 100,000 hectares (247,000 acres) by the end of the century. The Commission is financed partly by the Government and partly by receipts from sales of timber and other produce, and from rents.

Forestry Initiatives

The Forestry Commission and the Countryside Commission plan to create 12 community forests (covering between 10,000 and 20,000 hectares each—40 to 80 sq miles) on the outskirts of major cities in England. These include the Great North Forest (Tyne and Wear), the Forest of Mercia (Staffordshire) and Thames Chase, east of London. As part of its rural initiative for

Wales, the Government plans to give local communities greater involvement in the development of 35,000 hectares (135 sq miles) of forest in the coalfield valleys of south Wales—about 20 per cent of the land area—owned by the Forestry Commission. A Central Scotland Woodland Initiative has also been launched. More than 6 million trees have been planted.

Forestry Research

The Forestry Authority maintains two principal research stations, at Alice Holt Lodge, near Farnham (Surrey), and at Bush Estate, near Edinburgh, for basic and applied research into all aspects of forestry. Aid is also given for research work in universities and other institutions. A database on forestry and tree-related research in Great Britain has been compiled by the Forestry Research Co-ordination Committee and is updated annually.

The Forestry Authority conducts an annual forest health survey which monitors the effects of air pollution and other stress factors on a range of broadleaves and conifers. It has increased research into wildlife conservation and farm forestry, including an evaluation of agroforestry systems combining wide-spaced conifers and broadleaves with sheep grazing. The Government has set up an expert scientific review group on tree health in Britain.

Forestry in Northern Ireland

The Department of Agriculture may acquire land for afforestation and give financial and technical assistance for private planting. The state forest area has grown steadily since 1945. By 1992, 75,000 hectares (185,000 acres) of plantable land had been acquired, of which 60,000 hectares (148,250 acres) were planted. There were 16,000 hectares (39,500 acres) of privately owned forest. Some 500 professional and industrial staff work in state forests.

17 Transport and Communications

Major improvements in transport have resulted from the construction of a network of motorways, the extension of fast inter-city rail services and expansion schemes at many airports. Transport policy rests on the fundamental aims of:

- promoting economic growth and higher national prosperity;
- ensuring a reasonable level of personal mobility;
- improving safety;
- ensuring full consideration is given to the environment; and
- using energy economically.

Britain is taking an active part in the European Community's development of a common transport policy.

Users' expenditure on transport, including taxation, in Britain totalled an estimated £92,000 million in 1990, of which £89,000 million represented expenditure on road transport (including buses and goods vehicles).

Inland Transport

There has been a considerable increase in passenger travel in recent years. Travel in Great Britain rose by 34 per cent between 1980 and 1990. Travel by car and taxi rose by 42 per cent and air travel expanded rapidly. Recently, however, travel by motor cycle and by bus and coach has been declining. In all, car and taxi travel accounts for 85 per cent of passenger mileage within Great Britain, buses and coaches for about 6 per cent, rail for 6 per cent and air less than 1 per cent.

Car ownership has also risen substantially, and 66 per cent of households in Great Britain have the regular use of one or more cars, with 22 per cent having the use of two or more cars in 1990. At the end of 1991 there were 24.5 million vehicles licensed for use on the roads of Great Britain, of which 20.3 million were cars (including 2.4 million cars registered in the name of a company); 2.2 million light goods vehicles (that is, vehicles other than cars in the passenger and light goods category of vehicle); 449,000 other goods vehicles; 750,000 motor cycles, scooters and mopeds; and 109,000 public transport vehicles (including taxis).

ROADS

Total traffic for 1991 is provisionally estimated at 417,300 million vehicle-km. The total road network in Great Britain in 1991 was 360,000 km (224,000 miles). Trunk motorways accounted for 3,032 km (1,884 miles) of this length, less than 1 per cent, and trunk roads for 12,400 km (7,700 miles), or about 3.5 per cent. However, motorways carry over 15 per cent of all traffic and trunk roads about 17 per cent. Combined, they carry over half of all heavy goods vehicle traffic in Great Britain.

Administration

Responsibility for trunk roads, including most motorways, in Great Britain rests in England with the Secretary of State for Transport, in Scotland with the Secretary of State for Scotland and in Wales with the Secretary of State for Wales. The costs of construction

and maintenance are paid for by central government. The highway authorities for non-trunk roads are:

- in England, the county councils, the metropolitan district councils, the London borough councils and the Common Council of the City of London;
- in Wales, the county councils; and
- in Scotland, the regional or islands councils.

In Northern Ireland the Northern Ireland Department of the Environment is responsible for the construction, improvement and maintenance of all public roads.

Research on transport provides information necessary for the Department of Transport to set standards for highway and vehicle design, to obtain better value for money in highway construction and repair, and to formulate transport, environmental and safety policies and legislation. Research is carried out by the Transport Research Laboratory, an executive agency of the Department of Transport. Its Overseas Unit advises the Overseas Development Administration on giving assistance to developing countries to help solve their transport problems. Research is also carried out by universities and other higher education institutions, consultants and industry, while some is done collaboratively within European Community programmes.

Road Programme

The Government has implemented a major programme to improve the motorway and trunk road network (see map, rear endpapers). The programme is aimed at increasing the traffic capacity of major through routes and removing traffic from unsuitable roads in towns and villages. Over one-third of schemes in the programme are bypasses or relief roads. In spring 1992, some 70 motorway and trunk road schemes were under construction in England and over 400 further schemes were in preparation. Expenditure of £1,400 million for new trunk road construction is planned for 1992-93. Important schemes include the M1-A1 link road, which will be completed in 1993, thus improving communications between the Midlands and East Anglia. Some 312 major local authority road schemes are being supported by the Department of Transport, including 38 new schemes. Some £892 million is available to support local authority road schemes in England in 1992-93.

Road communications in Wales are expected to benefit from the second Severn crossing, the completion of the M4 motorway and improvements in the A55 coast road in north Wales. The A55 improvements included the construction under the Conwy estuary of the first immersed tube road tunnel to be built in Britain, opened in October 1991. The Welsh Office's 1992-93 roads and transport programme totals £197 million, and will include starting on the

Table 17.1: Road Length (as at April 1990)

	Public roads	All-purpose trunk roads and trunk motorways	
		and trunk motorways	Trunk motorways ^a
England	274,868	10,545	2,679
Scotland	51,923	3,229	234
Wales	33,361	1,696	120
Northern Ireland	24,165	2,323 ^b	111
Britain	384,317	17,793	3,144

Sources: Department of Transport, Northern Ireland Department of the Environment, Scottish Office and Welsh Office.

^a In addition, there were 44 km (27 miles) of local authority motorway in England and 26 km (16 miles) in Scotland.

^b Motorway and Class A roads.

schemes that will complete the M4 link and the upgrading of the A55 into dual carriage-way from Chester to Bangor. Some £74 million is also being made available to support major local authority road schemes in Wales.

The Government has committed £330 million over three years to new road construction in Scotland. The main priorities within the trunk road programme in Scotland are the upgrading of the A74 to motorway standard and completion of the central Scotland motorway network. These routes provide links for commerce and industry to the south and to Europe. The Government's future strategy includes a series of 'route action plans' designed significantly to improve safety and journey times on specific major routes.

In Northern Ireland the emphasis is on improving arterial routes, constructing more bypasses, and improving roads in the Belfast area, including the construction of a new cross-harbour link planned for the mid-1990s.

The Government is committed to changing the system for the provision of motorway service areas, and has introduced a new deregulated regime under which such areas will be constructed more quickly and the consumer provided with more choice.

Private Finance

The Government encourages greater private sector involvement in the design, construction, operation and funding of roads. A framework for encouraging privately funded schemes is provided for in recent legislation. Privately funded schemes recently completed or being undertaken include:

- a crossing of the River Thames at Dartford, which opened to traffic in late 1991 and links into the M25 London orbital motorway;
- a second crossing of the River Severn, which should be completed by 1996;
- a relief road north of Birmingham, which will be the first overland toll route in Britain; and
- a bridge between the mainland of Scotland and Skye, which is now going through the statutory procedures necessary for approval.

The Government proposes to hold a competition for a privately financed orbital route to complete the motorway box around the West Midlands conurbation. Other schemes, including a new crossing of the Tamar estuary at Plymouth and a link between the M25 and Chelmsford (Essex), have been identified as possible candidates for private finance.

Licensing and Standards

Official records of drivers and vehicles are maintained by the Driver and Vehicle Licensing Agency. It holds records on 34.5 million drivers and 24.5 million licensed vehicles in Great Britain. New drivers of motor vehicles are required to pass a driving test before being granted a full licence to drive.

The Driving Standards Agency is the national driver testing authority. It also supervises professional driving instructors and is responsible for the compulsory basic training scheme for motor cyclists. Minimum ages for driving are:

- 16 for riders of mopeds and disabled drivers of specially adapted vehicles;
- 17 for drivers of cars and other passenger vehicles with nine or fewer seats (including that of the driver), motor cycles and goods vehicles not over 3.5 tonnes permissible maximum weight;
- 18 for goods vehicles over 3.5 but not over 7.5 tonnes; and
- 21 for passenger vehicles with over nine seats and goods vehicles over 7.5 tonnes.

Before most new cars and goods vehicles are allowed on the roads, they are required to meet a number of safety and environmental requirements, based primarily on standards drawn up by the European Community. This form of control, known as type approval, is operated by the Vehicle Certification Agency.

The Secretary of State for Transport has a statutory responsibility for ensuring the roadworthiness of vehicles in use on the roads. The Vehicle Inspectorate is the national testing and enforcement authority. It meets this responsibility mainly through:

- annual testing and certification of heavy goods vehicles, buses and coaches;
- administration of the car, light goods vehicle and motor cycle testing scheme, under which vehicles are tested at private garages authorised as test stations; and
- means such as roadside checks and inspection of operators' premises.

In Northern Ireland, the Driver and Vehicle Testing Agency (DVTA) is responsible for testing drivers and vehicles under statutory schemes broadly similar to those in Great Britain. Private cars five or more years old are tested at DVTA centres.

Road Safety

Although Great Britain has one of the highest densities of road traffic in the world, it has a good record on road safety, with the lowest road accident death rate in the European Community. Figures for 1991 show that some 4,570 people were killed on the roads, 51,600 seriously injured and 255,100 slightly injured. This compares with nearly 8,000 deaths a year in the mid-1960s. A number of factors, such as developments in vehicle safety standards and improvements in roads, the introduction of legislation on seat belt wearing and drinking and driving, and developments in road safety training, education and publicity, have contributed to the long-term decline in casualty rates.

The Government's aim is to reduce road casualties by one-third by the end of the century, compared with the 1981-85 average. To achieve this, resources are being concentrated on measures which are demonstrably cost-effective in terms of casualty reduction. Priority is given to reducing casualties among vulnerable road-users (children, pedestrians, cyclists, motor cyclists and older road users), particularly in urban areas, where some 70 per cent of road accidents occur. For example, the child road safety campaign is directed at encouraging drivers to slow down when children are likely to be about, particularly in urban areas. Other areas for achieving lower casualties are improvements in highway design, better protection for vehicle occupants, encouraging

the use of cycle helmets and measures to combat drinking and driving.

The Road Traffic Act 1991 introduced several additional measures to improve road safety, including:

- a new offence of dangerous driving;
- mandatory retesting of drivers convicted of the most serious driving offences;
- in England and Wales, a new offence of causing danger, to deal with vandals who put lives at risk by damaging road signs or dropping objects onto roads;
- tougher measures to deal with drink-drive offenders;
- the use of new technology, such as remote-operated cameras and radar speed-detectors, to improve the detection of speeding and traffic-light offences; and
- new powers to prohibit dangerous vehicles.

Traffic in Towns

Traffic management schemes are used in many urban areas to reduce congestion, create a better environment and improve road safety. Such schemes include, for example, one-way streets, bus lanes, facilities for pedestrians and cyclists, and traffic calming measures such as road humps and chicanes to constrain traffic speeds in residential areas. Many towns have shopping precincts which are designed for the convenience of pedestrians and from which motor vehicles are excluded for all or part of the day. Controls over on-street parking are enforced through excess charges and fixed penalties, supported where appropriate by powers to remove vehicles. In parts of London wheel clamping to immobilise illegally parked vehicles is also used.

In June 1992 the Government announced the designation of a network of priority 'red routes' in London some 480 km (300 miles) long. It is expected that the first of these routes will be in operation by the end of 1993. Red routes, to be marked by red lining and special signs, will be subject to special stopping controls and other traffic management measures, strictly enforced with higher penalties. Monitoring of a pilot

scheme in north and east London, introduced in January 1991, has shown significant falls in journey times and greater reliability for buses. A Traffic Director for London has been appointed to ensure the coherent development and operation of the priority routes throughout London.

ROAD HAULAGE

Road haulage traffic by heavy goods vehicles amounted to 125,000 million tonne-km in 1991, 5 per cent less than in 1990. There has been a move towards larger and more efficient vehicles carrying heavier loads—about 78 per cent of the traffic, in terms of tonne-km, is carried in vehicles of over 25 tonnes gross laden weight. Much of the traffic is moved over short distances, with 75 per cent of the tonnage being carried on hauls of 100 km (62 miles) or less. Public haulage (private road hauliers carrying other firms' goods) accounts for 69 per cent of freight carried in Great Britain in terms of tonne-km. In 1991 the main commodities handled by heavy goods vehicles were:

- crude minerals (298 million tonnes);
- food, drink and tobacco (291 million tonnes); and
- building materials (155 million tonnes).

Road haulage is predominantly an industry of small, privately owned businesses. There were some 132,000 holders of an operator's licence in 1990. About half the heavy goods vehicles are in fleets of ten or fewer vehicles. The biggest operators in Great Britain are NFC plc, Transport Development Group plc, TNT Express (UK) Ltd and United Carriers International Ltd.

Licensing and Other Controls

In general, those operating goods vehicles over 3.5 tonnes gross weight require an operator's licence. Licences are divided into restricted licences for own-account operators carrying goods connected with their own business, and standard licences for hauliers operating for hire or reward. Proof of professional competence, financial standing and good repute is needed to obtain a

standard licence. In Northern Ireland own-account operators do not require a licence, although this matter is under consideration.

Regulations lay down limits on the hours worked by drivers of goods vehicles, as well as minimum rest periods. Tachographs, which automatically record speed, distance covered, driving time and stopping periods, must be fitted and used in most goods vehicles over 3.5 tonnes gross weight in Great Britain. The Government has announced a proposal to fit speed limiters to heavy lorries, preventing them from travelling above 60 mph (97 km/h).

International Road Haulage

International road haulage has grown rapidly and in 1991 about 1.3 million road goods vehicles were ferried to the Continent or the Irish Republic. Of these, 360,000 were powered vehicles registered in Britain. In 1990 British vehicles carried over 9 million tonnes to and from continental Europe, with average lengths of haul of 1,167 km (725 miles) outwards and 1,097 km (683 miles) inwards, compared with 79 km (49 miles) for national road haulage. Much additional traffic crossed the Irish land boundary.

International road haulage has been constrained by the need for permits issued under bilateral agreements with individual countries. Many agreements allow unrestricted numbers of British lorries into the country concerned, but others specify an annual quota of permits. Quotas of European Community permits are also available which allow international haulage or cabotage (the operation of domestic road haulage services within a member state by a non-resident) anywhere within the Community. The European Conference of Transport Ministers also issues permits valid throughout all member states. Full liberalisation of international road haulage within the Community will apply from 1 January 1993.

PASSENGER SERVICES

Major changes in the structure of the passenger transport industry have occurred in recent years. Privatisation of the National Bus

Company (which was the largest single bus and coach operator in Britain, operating through 72 subsidiaries in England and Wales) was completed in 1988. Each subsidiary was sold separately, and encouragement was given for a buy-out by the local management or employees. The privatisation as ten separate companies of the Scottish Bus Group, formerly the largest operator of bus services in Scotland with some 3,000 vehicles, was completed in 1991. Legislation also facilitated the privatisation of bus services run by municipal authorities. The Government is committed to the privatisation of the remaining local authority bus companies.

London Transport (LT) is a statutory corporation, with its board members appointed by the Secretary of State for Transport. Within LT the main wholly owned operating subsidiaries are London Underground Ltd and London Buses Ltd. Financial support—almost entirely for capital projects—is provided by central government. LT is required to involve the private sector in the provision of services where this is more efficient, and has been set objectives on safety, the quality of services and on its financial performance. Many London bus routes are now run by private firms operating under contract to LT.

In December 1991 the Government announced a package of at least £10 million over two years to support local authority measures to promote bus use in England. Some £3.7 million of this has been allocated to 26 local authorities for 1992–93 to support schemes such as redesigning junctions and providing passenger information systems. An allocation of £500,000 has been announced for similar schemes in Wales.

In Northern Ireland almost all road passenger services are provided by subsidiaries of the publicly owned Northern Ireland Transport Holding Company. Citybus Ltd operates services in the city of Belfast and Ulsterbus Ltd operates most of the services in the rest of Northern Ireland.

These companies have some 300 and 1,000 vehicles respectively.

As well as major bus operators, there are also a large number of small, privately owned undertakings, often operating fewer than five vehicles. Double-deck buses are the main type of vehicle used for urban road passenger transport in Britain, with some 22,000 in operation. However, there has been a substantial increase in the number of mini-buses and midibuses in recent years, with some 20,000 now in use. In addition, there are some 30,000 other single-deck buses and coaches.

International Travel

British coaches regularly travel across the continent of Europe, carrying passengers as far afield as Greece. Some coach services still require authorisation or permission from the authorities of countries to or through which they travel. However, an increasing number do not need this, particularly within the European Community, including holiday shuttle services where accommodation is included as part of the package.

Deregulation

Local bus services in Great Britain (except in London) were deregulated in 1986. Bus operators are now able to run routes without needing a special licence. Local authorities can subsidise the provision of socially necessary services after competitive tendering. Six weeks' notice of the introduction, variation or cancellation of a service has to be given to the appropriate traffic commissioner (one for each of the eight traffic areas of Great Britain).

Deregulation led to an increase of 19 per cent in local bus mileage outside London between 1985–86 and 1990–91, with some 84 per cent of services operated without subsidy in 1990–91. Over the same period the number of passengers has fallen by 19 per cent outside London, in line with long-term trends. Deregulation also had a noticeable effect during the 1980s on long-distance express coach services, bringing about reductions in fares, the provision of more services and an increase in passengers.

The Government is proposing the deregulation of bus services in London and the privatisation of London Buses Ltd, for which legislation would be necessary. Deregulation is unlikely before 1995. The privatisation of London Buses Ltd subsidiaries would then take place about a year later. A new London Bus Executive would be created to undertake certain functions which the market would have little incentive to provide or which would benefit from central co-ordination. Provision would be made for the operation of socially necessary but uneconomic services and for the continuation of a London-wide concessionary travel scheme.

Taxis

There are about 51,000 licensed taxis in Great Britain, mainly in urban areas; London has some 16,000. In London and a number of other cities taxis must be purpose-built to conform to very strict requirements and new ones have to provide for people in wheelchairs. In most cases, drivers must have passed a test of their knowledge of the area. Private hire vehicles with drivers may be booked only through the operator and not hired on the street; in most areas outside London private hire vehicles are licensed. The Government is considering whether a licensing regime is needed in London.

A local authority can only limit the number of licensed taxis if it is satisfied that there is no unfulfilled demand for taxis in its area. Taxi operators are able to run regular local services and can tender in competition with bus operators for services subsidised by local authorities. To do this, they may apply for a special 'restricted' bus operator's licence, allowing them to run local services without having to obtain a full bus operator's licence. Taxis and licensed private hire vehicles may also offer shared rides to passengers paying separate fares.

In Northern Ireland there are some 4,000 licensed taxis. Licences are issued by the Department of the Environment for Northern Ireland on a basis broadly similar to that in Great Britain.

RAILWAYS

Railways were pioneered in Britain: the Stockton and Darlington Railway, opened in 1825, was the first public passenger railway in the world to be worked by steam power. The main railway companies in Great Britain were nationalised in 1948. In Northern Ireland the Northern Ireland Railways Company Ltd, a subsidiary of the Northern Ireland Transport Holding Company, operates the railway service on some 320 km (200 miles) of track.

Organisation

The British Railways Board, set up in 1962, controls most of the railway network in Great Britain. Of its five business sectors, InterCity, Network SouthEast and Regional Railways services are responsible for the passenger services. The other two sectors are Railfreight Distribution and Trainload Freight. A subsidiary company, European Passenger Services Ltd, has been set up to operate international rail services through the Channel Tunnel. Other subsidiary businesses are British Rail Maintenance Ltd, which is responsible for maintenance and light repair of British Rail rolling stock; Transmark, which provides consultancy services overseas on railway and associated operations; and BR Telecommunications, a new company marketing communications services. British Rail is currently developing its sector structure further to devolve decision-making from the Board's headquarters. The aim is to make the sectors more responsive to customer requirements.

The Government wishes to bring better rail services for all passengers as rapidly as possible. It considers that the franchising of services to the private sector provides the best way to achieve this. Its proposals, published in July 1992, include:

- the franchising of all British Rail's existing passenger services to the private sector;
- the transfer of British Rail's existing freight and parcels operations to the private sector;

- the creation of a new right of access to the rail network for private operators of both passenger and freight services;
- the reorganisation of British Rail's internal structures into one part, Railtrack, that will continue to be responsible for operating all track and infrastructure, and another that will operate passenger services until they are all franchised out to the private sector;
- the creation of two independent authorities responsible to the Government—a Rail Regulator to oversee the application of arrangements for track access and charging, and a Franchising Authority responsible for negotiating, awarding and monitoring franchises;
- the provision of opportunities for the private sector to buy or lease stations; and
- improved grant arrangements for individual rail services or groups of services.

Operations

In 1991–92 the Board's turnover, including financial support and income from other activities but excluding internal transactions, was £3,948 million, of which £3,021 million was derived from rail passenger services and

£680 million from freight services. It received grants of £890 million as compensation for the public service obligation to operate sections of the passenger network in the Regional sector and Network SouthEast which would not otherwise cover their cost.

Under the Citizen's Charter, British Rail has agreed detailed service standards with the Government for InterCity, Network SouthEast and Regional Railways sectors. The Passenger's Charter was published in March 1992. Automatic compensation will be payable to passengers when these standards are breached by more than a small margin. Service is also being improved through better information, staff training and extra assistance for disabled passengers.

British Rail has a substantial investment programme. Investment totalled £1,005 million in 1991–92 and is expected to remain at about that level for the subsequent two years. Major areas of expenditure in British Rail's investment programme include:

- rolling stock and facilities for Channel Tunnel traffic from 1993 (see p 326);
- new rolling stock and infrastructure improvements in Network SouthEast; and
- investment in new diesel multiple-unit trains in the Regional Railways sector.

Table 17.2: Railway Operations

	1987–88	1988–89	1989–90	1990–91	1991–92
Passenger journeys (million)	727	764	758	763	740
Passenger–km (million)	33,141	34,322	33,648	33,191	32,057
Freight traffic (million tonnes)	144	150	143	138	136
Trainload and wagonload traffic (million net tonne–km)	17,466	18,103	16,742	15,986	15,347
Assets (at end of period):					
Locomotives	2,270	2,180	2,095	2,030	1,896
High Speed Train power units	197	197	197	197	197
Other coaching vehicles	14,648	14,258	13,833	13,631	12,925
Freight vehicles ^a	28,884	24,922	21,970	20,763	19,877
Stations (including freight and parcels)	2,554	2,596	2,598	2,615	2,556
Route open for traffic (km)	16,633	16,598	16,588	16,584	16,558

Source: British Railways Board.

^aIn addition, a number of privately owned wagons and locomotives are operated on the railway network for customers of British Rail.

Safety is a key objective; expenditure on specific safety measures in 1991–92 was £225 million. The numbers of significant accidents per million train miles in 1989 and 1990 were the lowest on record. A Railway Code, designed to educate the public on the safe use of the railway system, was launched in 1991.

Passenger Services

The passenger network (see map on inside back cover) comprises a fast inter-city network, linking the main centres of Great Britain; local stopping services; and commuter services in and around the large conurbations, especially London and south-east England. British Rail runs over 700 InterCity expresses each weekday, serving about 90 business and leisure centres.

InterCity 125 trains, travelling at maximum sustained speeds of 201 km/h (125 mph), provide over 40 per cent of InterCity train mileage and are the world's fastest diesel trains. They operate from London:

- to the west of England and south Wales;
- to the East Midlands; and
- on cross-country services through the West Midlands, linking south-west England or south Wales with north-west England or north-east England and Edinburgh.

With the introduction of the new electric InterCity 225 trains, British Rail now has more trains running at over 160 km/h (100 mph) than any other railway.

About 28 per cent of route-mileage is electrified, including British Rail's busiest InterCity route, linking London, the West Midlands, the North West and Glasgow. The most recent major electrification scheme was that for the east-coast main line between London and Edinburgh (including the line from Doncaster to Leeds). This scheme, covering some 644 km (400 miles) and costing £450 million at 1990–91 prices, commenced full passenger services between London King's Cross and Edinburgh in July 1991, using InterCity 225 electric trains.

A new generation of diesel multiple-unit trains is being introduced on regional

services, while many of the older electric multiple units used for commuting services in London and south-east England are being replaced by more efficient rolling stock. The first of a new generation of 'Networker' trains was due to enter service in Kent in October 1992. Some 400 coaches will be progressively introduced, with a further 274 on order. A diesel version is being brought into service on lines to the west of London, with 180 vehicles due to be delivered between 1992 and 1994. Three major new rail links to airports have been built or are planned:

- a new link between Stansted airport and London Liverpool Street, which opened in March 1991;
- a joint venture with BAA plc for a £235 million project (to be financed largely by BAA) between Heathrow airport and London Paddington, scheduled to be ready by the end of 1996; and
- a link to connect Manchester airport to the Manchester to Wilmslow (Cheshire) line, currently under construction.

Freight

Over 90 per cent of rail freight traffic is of bulk commodities, mainly coal, coke, iron and steel, building materials and petroleum.

The opening of the Channel Tunnel (see p 326) will present an important opportunity for non-bulk freight movement. Freight routes in Kent and Sussex are being upgraded in preparation for the traffic, and new locomotives are being purchased. Container traffic to the continent of Europe and further afield is being developed and new container-carrying wagons have been ordered. Services are being developed to give easy transfer of loads between road and rail, using vehicles that can be configured for travel on either road or rail.

Railways in London

London Underground Ltd (LUL) operates services on 394 km (245 miles) of railway, of which about 169 km (105 miles) are underground. The system has 248 stations, with 478 trains operating in the peak period.

Some 751 million passenger journeys were made on London Underground trains in 1991–92. Major investment in the Underground is planned, including:

- an extension of the Jubilee Line to Stratford (east London) via Docklands and the north Greenwich peninsula;
- CrossRail, linking Paddington with Liverpool Street, the tunnel of which would be used by British Rail as well as Underground trains; and
- a new line running through central London from Chelsea in the west to Hackney in the north-east.

These three projects would cost a total of about £5,000 million at 1990 prices. Much work is also under way on the existing system, including a £750 million modernisation of the Central Line and the refurbishment of over 200 trains at a cost of £145 million. LUL expects to invest at least £1,000 million in safety improvements by the end of the 1990s; total investment will rise to well over £700 million a year from 1993–94.

The Docklands Light Railway (DLR), a 12-km (7.5-mile) route with 17 stations, provides a service between the City of London and Docklands. An extension eastward to Beckton is under construction and the line may be extended to Lewisham (south-east London) through a tunnel under the River Thames. The ownership of the DLR was transferred from LT to the London Docklands Development Corporation in April 1992.

The first stage of a new light railway project proposed by London Transport and the London Borough of Croydon for the Croydon area of south London is under way. The Tramlink network, which will link with the British Rail network at Wimbledon, could be ready by 1996.

Other Urban Railways

Other urban railways in Great Britain are the Glasgow Underground and the Tyne and Wear Metro, a 59-km (37-mile) light rapid transit system which has recently been extended to serve Newcastle International

Airport. In Greater Manchester the first phase of the 31-km (19-mile) Metrolink light rail system was officially opened in July 1992. It is owned by the Greater Manchester Passenger Transport Executive and was designed and built, and is operated and maintained by, GMML, a private sector consortium. It links Manchester's main railway termini with Bury and Altrincham. In Sheffield and the surrounding district (South Yorkshire), a 29-km (18-mile) light rail system is being constructed. Midland Metro, a major light rail project in the West Midlands, has been approved by Parliament. Light rail schemes are being considered in a number of other areas, including Bristol, Cardiff, Chester, Cleveland, Edinburgh, Glasgow, Nottingham, Leeds and Portsmouth.

Private Railways

There are over 70 small, privately owned passenger-carrying railways in Great Britain, mostly operated on a voluntary basis and providing limited services for tourists and railway enthusiasts. The main aim of most of these railways is the preservation and operation of steam locomotives. They are generally run on old British Rail branch lines, but there are also several narrow-gauge lines, mainly in north Wales.

Channel Tunnel

Construction work is almost complete on the Channel Tunnel, the largest civil engineering project in Europe to be financed by the private sector. Services in the twin single-track rail tunnels between Britain and France are due to start in the second half of 1993. The project, with a total financing requirement of over £8,000 million, is being undertaken by Eurotunnel, a British–French group. A concession agreement between the British and French governments and Eurotunnel gives Eurotunnel the right to operate the tunnel for 55 years. Construction is being carried out for Eurotunnel by Transmanche Link, a consortium of ten British and French construction companies. The first link-up under the Channel, that of

the central service tunnel, took place in December 1990, and break-through of the two rail tunnels was achieved in mid-1991.

Eurotunnel Services

Eurotunnel will operate shuttle trains through the tunnel between the terminals at Cheriton (near Folkestone) and Coquelles (near Calais), with the journey taking about 35 minutes from terminal to terminal. Eurotunnel trains will provide a drive-on, drive-off service, with separate shuttle trains for passenger and freight vehicles. Car and coach passengers will stay with their vehicles during the journey. Eurotunnel is planning to run passenger shuttle services every 15 minutes during peak periods and freight shuttle services every 20 minutes. As traffic grows, the frequency of services will be increased.

Through Rail Services

Some 30 high-speed through passenger services are planned to run each day between London (Waterloo) and Paris, and London and Brussels. Specially-designed international rolling stock is on order to provide through day passenger services from the Midlands, northern England and Scotland to the Continent; these trains will come into service in early 1995. Overnight services are also planned. The locations of nine regional depots to handle freight traffic to the Continent have been announced. British Rail plans to invest some £1,400 million in new passenger and freight rolling stock and infrastructure; over £800 million has already been approved by the Secretary of State for Transport.

To meet the forecast growth in demand for through rail services, additional capacity will eventually be required between London and the Channel Tunnel. The Government has announced a route for a new high-speed rail link crossing the River Thames east of London and approaching London through Essex; it intends that this project should be taken forward by the private sector, but detailed planning on the route is in the interim being undertaken by British Rail.

INLAND WATERWAYS

Inland waterways are popular for recreation, make a valuable contribution to the quality of Britain's environment, play an important part in land drainage and water supply, and are used to a limited extent for freight-carrying. An official survey of inland waterway freight traffic reported that in 1990, 69 million tonnes of freight were carried on inland waterways and estuaries, amounting to some 2,400 million tonne-km moved. The most significant amounts of freight were carried on the Rivers Thames, Forth, Humber and Mersey and the Manchester Ship Canal. The publicly owned British Waterways Board (BWB) is responsible for some 3,200 km (2,000 miles) of waterways in Great Britain. The majority of waterways are primarily for leisure use, but about 620 km (385 miles) are maintained as commercial waterways. The BWB is in the process of developing its business more commercially, with greater responsiveness to market needs and waterway users. In 1991-92 the BWB's turnover amounted to £77.9 million and it received a government grant of £49.7 million to maintain its waterways to statutory standards.

Shipping and Ports

In December 1991 British companies owned 785 trading vessels of 14.8 million deadweight tonnes. Among the ships owned by British companies were 200 vessels totalling 8.8 million deadweight tonnes used as oil, chemical or gas carriers and 556 vessels totalling 5.6 million deadweight tonnes employed as dry bulk carriers, container ships or other types of cargo ships. Some 80 per cent of British-owned vessels are registered in Britain or British dependent territories such as Bermuda.

The tonnage of the British-registered trading fleet has been declining in recent years. In recognition of this and in response to the 1990 report of a joint government and shipping industry working party, the

Government has simplified technical procedures and regulations governing ship registration requirements. The Government also has work in hand designed to:

- introduce flexibility into the rules governing the nationality of officers on British ships;
- allow chartered-in vessels to be registered in Britain; and
- secure the liberalisation of cabotage and a more competitive financial environment, both within Europe and on a wider international basis.

The Government also makes funds available for Merchant Navy officer training, the repatriation of crews in the deep-sea trades and to support a Reserve of ex-seafarers willing to serve in the Merchant Navy in an emergency.

Cargo Services

About 94 per cent by weight (77 per cent by value) of Britain's overseas trade is carried by sea. In 1991 British seaborne trade amounted to 300 million tonnes (valued at £169,000 million) or 1,150,000 million tonne-km (714,000 million tonne-miles). British-registered ships carried 18 per cent by weight and 35 per cent by value. Tanker cargo accounted for 45 per cent of this trade by weight, but only 7 per cent by value; foodstuffs and manufactured goods accounted for 83 per cent by value.

Virtually all the scheduled cargo liner services from Britain are containerised. The British tonnage serving these trades is dominated by a relatively small number of private sector companies and, in deep sea trades, they usually operate in conjunction with other companies on the same routes in organisations known as 'conferences'. The object of these groupings is to ensure regular and efficient services with stable freight rates, to the benefit of both shipper and shipowner. In addition to the carriage of freight by liner and bulk services between Britain and Europe, there are many roll-on, roll-off services to carry cars, passengers and commercial vehicles.

Passenger Services

In 1991 there were 31 million international sea passenger movements between Britain and the rest of the world, compared with some 72 million international air movements. Almost all the passengers who arrived at or departed from British ports in 1991 travelled to or from the continent of Europe or the Irish Republic. In 1991 some 89,000 people embarked on pleasure cruises from British ports. Traffic from the southern and south-eastern ports accounts for a substantial proportion of traffic to the continent of Europe. The main British operators are Sealink Stena Line, P & O and Hoverspeed, although not all of their vessels are under the British flag. Services are provided by roll-on, roll-off ferries, hovercraft, hydrofoils and high-speed catamarans. Domestic passenger and freight ferry services also run to many of the offshore islands, such as the Isle of Wight, the Orkney and Shetland islands, and the islands off the west coast of Scotland. It is estimated that in 1990 there were some 37 million passengers on such internal services.

Merchant Shipping Legislation and Policy

The Government's policy is one of minimum intervention and the encouragement of free and fair competition. However, regulations administered by the Department of Transport provide for marine safety and welfare, the investigation of accidents and the prevention and cleaning up of pollution from ships.

The Government also plays an important role in the formulation of shipping policy within the European Community. The first stage of a Common Shipping Policy involved agreement in 1986 on regulations designed to:

- liberalise the Community's international trade;
- establish a competitive regime for shipping; and
- enable the Community to take action to combat protectionism from other countries and to counter unfair pricing practices.

For the second stage, now under consideration, a range of measures have been proposed to harmonise operating conditions and strengthen the competitiveness of Community members' merchant fleets. One such measure, facilitating the transfer of ships between member states' registers, has already been agreed.

Ports

There are about 80 ports of commercial significance in Great Britain, and in addition there are several hundred small harbours which cater for local cargo, fisheries, island ferries or recreation. Port authorities are of three broad types—trusts, local authorities and companies—and most operate with statutory powers under private Acts of Parliament. Major ports controlled by trusts include Dover, Ipswich, London, Milford Haven and Tyne. Local authorities own many small ports and a few much larger ports, including Portsmouth and the oil ports in Orkney and Shetland.

Associated British Ports Holdings PLC (a private sector company) operates 23 ports, including Southampton, Grimsby and Immingham, Hull, Newport, Cardiff and Swansea. Other major ports owned by companies include Felixstowe, Liverpool, Manchester and a group of ferry ports, including Harwich (Parkeston Quay) and Stranraer.

The Ports Act 1991 facilitates the transfer

of trust ports to the private sector; Clyde, Forth, Medway, Tees and Hartlepool and the Port of London Authority dock undertaking at Tilbury have already moved to the private sector.

Port Traffic

In 1991 traffic through the ports of Britain amounted to 493 million tonnes, comprising 143 million tonnes of exports, 183 million tonnes of imports and 167 million tonnes of domestic traffic (which included offshore traffic and landings of sea-dredged aggregates). About 55 per cent of the traffic was in fuels, mainly petroleum and petroleum products.

Britain's main ports, in terms of total tonnage handled, are given in Table 17.3. Sullom Voe (Shetland), Milford Haven and Forth mostly handle oil, while the main ports for non-fuel traffic are London, Tees and Hartlepool, Grimsby and Immingham, Felixstowe and Dover.

Container and roll-on, roll-off traffic in Britain has almost trebled since 1975 to 88 million tonnes in 1991 and now accounts for about 77 per cent of non-bulk traffic. The leading ports for container traffic are Felixstowe, London and Southampton. Those for roll-on, roll-off traffic are Dover (Britain's leading seaport in terms of the value of trade handled), Felixstowe, Portsmouth, Grimsby and Immingham, and Harwich.

Table 17.3: Traffic through the Principal Ports of Great Britain

	<i>million tonnes</i>						
	1976	1986	1987	1988	1989	1990	1991
London	53.2	53.6	48.9	53.7	54.0	54.5	52.8
Tees and Hartlepool	31.8	30.7	33.9	37.4	39.3	40.2	42.9
Grimsby and Immingham	24.2	32.0	32.2	35.0	38.1	38.9	40.2
Sullom Voe	—	57.2	50.0	50.6	40.7	30.6	35.9
Milford Haven	43.5	30.0	32.7	33.3	33.0	32.2	35.7
Southampton	27.3	25.7	27.2	31.4	26.1	28.8	31.5
Liverpool	22.1	10.7	10.2	19.6	20.2	23.2	24.8
Forth	13.7	28.8	30.0	29.0	22.9	25.4	22.9
Felixstowe	4.4	10.8	13.3	15.6	16.5	16.4	16.1
Medway	20.9	10.4	11.6	12.7	14.0	15.9	16.1
Dover	4.2	9.9	10.6	10.4	13.5	13.0	12.0

Source: Department of Transport.

Development

Most recent major port developments have been at east- and south-coast ports. For example, at Felixstowe a £50 million extension to the terminal was completed in 1990, and a new £100 million terminal on the Medway caters for deep-sea container traffic.

Purpose-built terminals for oil from the British sector of the North Sea have been built at Hound Point on the Forth, on the Tees, at Flotta and at Sullom Voe (one of the largest oil terminals in the world). Supply bases for offshore oil and gas installations have been built at a number of ports, notably Aberdeen, Great Yarmouth and Heysham.

Safety at Sea

HM Coastguard Service, part of the Department of Transport, is responsible for co-ordinating civil maritime search and rescue operations around the coastline of Britain. In a maritime emergency the Coastguard calls on and co-ordinates facilities such as:

- Coastguard helicopters and cliff rescue companies;
- lifeboats of the Royal National Lifeboat Institution (a voluntary body);
- Ministry of Defence aeroplanes, helicopters and ships; and
- merchant shipping and commercial aircraft.

The establishment of new coastal search and rescue consultative committees was announced in March 1992. These will improve liaison between the Coastguards, potential users of the rescue services and interested authorities.

In 1991 the Coastguard Service co-ordinated action in some 7,200 incidents (including cliff rescues), in which 13,000 people were assisted.

Compliance with rules of behaviour when navigating in traffic separation schemes around the shores of Britain is mandatory for all vessels of countries party to the Convention on the International Regulations

for Preventing Collisions at Sea 1972. The most important scheme affecting British waters is in the Dover Strait, the world's busiest seaway. Britain and France jointly operate the Channel Navigation Information System, which provides navigational information and also monitors the movement of vessels in the strait. A new radar system will come into service in 1993, providing increased coverage of the area.

The lighthouse authorities, which between them control about 370 lighthouses and many minor lights and buoys, are:

- the Corporation of Trinity House, which covers England, Wales and the Channel Islands;
- the Northern Lighthouse Board, for Scotland and the Isle of Man; and
- the Commissioners of Irish Lights for Ireland.

They are funded mainly by light dues levied on shipping in Britain and Ireland. The Ports Act 1991 provided for the transfer of certain lights and buoys to harbour authorities where these are used mainly for local rather than general navigation. Responsibility for pilotage rests with harbour authorities under the Pilotage Act 1987.

Among measures to improve the safety of roll-on, roll-off ferries introduced following the loss of the *Herald of Free Enterprise* in 1987 is a duty on shipowners to ensure the safe operation of their vessels, as well as a wide range of technical measures. Most measures introduced by Britain have been incorporated in the relevant international maritime safety conventions.

Civil Aviation

An innovative British air transport industry responds to the demands of both international and domestic passengers. Airlines are seeking opportunities for modernisation, and this is complemented by the work of the aviation authorities in negotiating new international rights and improving facilities such as air traffic control. British airlines are entirely in the private sector, as are a number of the major airports.

Role of the Government

The Secretary of State for Transport is responsible for aviation matters, including:

- negotiation of air service agreements with more than 100 other countries;
- control of air services into Britain by overseas airlines;
- British participation in the activities of international aviation bodies;
- aviation security policy;
- environmental matters, such as aircraft noise and emissions;
- investigation of accidents; and
- airports policy.

The Government's civil aviation policy aims to maintain high standards of safety and security and to achieve environmental improvements through reduced noise and other emissions from aircraft. It is concerned to promote the interests of travellers by encouraging a competitive British industry, and is committed to encouraging more international services to and from regional airports. The Government has taken the lead in the European Community and with bilateral partners in negotiating freer arrangements within which airline competition can flourish; agreement was reached within the European Community in June 1992 on a further package of liberalisation measures. New arrangements with an increasing number of countries are resulting in better provision of services at more competitive fares.

Civil Aviation Authority

The Civil Aviation Authority (CAA) is an independent statutory body, responsible for the economic and safety regulation of the industry and, jointly with the Ministry of Defence, for the provision of air navigation services. The CAA's primary objectives are to ensure that British airlines provide air services to satisfy all substantial categories of public demand at the lowest charges consistent with a high standard of safety and to further the reasonable interests of air transport users.

Air Traffic

Total capacity offered on all services by British airlines amounted to 20,100 million available tonne-km in 1991: 15,200 million tonne-km on scheduled services and 4,920 million tonne-km on non-scheduled services. The airlines carried 34.6 million passengers on scheduled services and 21.1 million on charter flights; some 72.8 million passengers travelled by air (international terminal passengers) to or from Britain, a 6 per cent decrease on 1990.

The value of Britain's overseas trade carried by air in 1991 was some £41,900 million—20 per cent of exports by value and 18 per cent of imports. Air freight is important for the carriage of goods with a high value-to-weight ratio, especially where speed of movement is essential.

British Airways

British Airways plc is one of the world's leading airlines. In terms of international scheduled services it is the largest in the world. During 1991–92 British Airways' turnover was £5,220 million (including £4,800 million from airline operations), and the British Airways group carried 24.8 million passengers on scheduled and charter flights both domestically and internationally.

The British Airways scheduled route network serves 153 destinations in 69 countries. Its main operating base is London's Heathrow airport, but services from Gatwick and regional centres such as Manchester and Birmingham have been expanding. Scheduled Concorde supersonic services are operated from London Heathrow to New York, Washington and, in the summer, Toronto, crossing the Atlantic in about half the time taken by subsonic aircraft. In March 1992 British Airways had a fleet of 230 aircraft, the largest fleet in Western Europe, comprising 7 Concorde, 53 Boeing 747s, 8 McDonnell-Douglas DC-10s, 6 Lockheed TriStars, 37 Boeing 757s, 10 Airbus A320s, 54 Boeing 737s, 16 Boeing 767s, 24 BAC One-Elevens, 13 BAe Advanced Turboprops and 2 BAe 748s. A total of 82 aircraft were on firm order.

Other Airlines

About 500 aircraft are operated by other airlines. Britannia Airways is the world's largest charter airline, undertaking flights from 20 British airports to more than 100 destinations in Europe and elsewhere. It carried over 6 million passengers in 1991. It has 39 aircraft. British Midland operates a large network of scheduled services, and is strongly represented in regional as well as European networks. It possesses 25 aircraft. Air UK operates scheduled passenger services to Europe, and is the only British airline to operate from all three main airports in the London area (Heathrow, Gatwick and Stansted). It has 29 aircraft. Dan-Air Services is a major operator of both scheduled and charter services, and had a fleet of 39 aircraft in 1991. It intends to concentrate its fleet on just two types, the Boeing 737 and BAe 146. Virgin Atlantic operates scheduled services between Britain and several North American destinations, and to Tokyo. It also operates charter flights to Florida. It has eight aircraft.

Helicopters and Other Aerial Work

Helicopters are engaged on a variety of work, especially operations connected with Britain's offshore oil and gas industry. The three main operators in Britain are Bristow Helicopters, Bond Helicopters and British International Helicopters, with 63, 50 and 27 helicopters respectively. Light aircraft and helicopters are also involved in other activities, such as charter operations, search and rescue services, medical evacuation, crop-spraying, aerial survey and photography, and police operations.

Air Safety

The CAA is responsible for both technical and operational air safety. Its Safety Regulation Group deals with the development and application of safety requirements for all civil aviation operations. It licenses flight crew, ground engineers and air traffic control officers, as well as aerodromes and fire and rescue services.

Training of air traffic controllers is also provided by the CAA.

Every company operating aircraft used for commercial purposes must possess an Air Operator's Certificate, which is granted by the CAA when it is satisfied that the operator is competent to secure the safe operation of its aircraft. The CAA's flight operations inspectors, all of whom are experienced airline pilots, and airworthiness surveyors check that satisfactory standards are maintained.

Each member of the flight crew of a British-registered aircraft, every ground engineer who certifies an aircraft fit to fly, and every air traffic controller must hold the appropriate official licence issued by the CAA. Except for those with acceptable military or other qualifying experience, all applicants for a first professional licence must have undertaken a full-time course of instruction which has been approved by the CAA.

Air Traffic Control and Navigation Services

Responsibility for civil and military air traffic control over Britain and the surrounding seas rests with the National Air Traffic Services (NATS), jointly operated by the CAA and the Ministry of Defence. At 13 civil aerodromes, including most of the major British airports, the NATS provides the navigation services necessary for aircraft taking off and landing, and integrates them into the flow of traffic within British airspace.

Britain plays a major role in European air traffic control developments through participation in a number of international fora. Britain has put forward several European initiatives, including the centralised management of traffic flows throughout Europe, which is being progressively implemented over the period 1991-95. Within Britain, NATS has an investment programme currently running at around £80 million a year, which includes the construction of a new air traffic control centre for England and Wales, due to be completed in 1996. Schemes for a new centre for Scotland are under consideration.

Aircraft and the Environment

The replacement of older aircraft with new quieter types has done much to reduce the problem of noise near airports, as have noise abatement measures such as noise-preferential routes, night restrictions and noise insulation. A new noise monitoring system for Heathrow, Gatwick and Stansted airports was announced in February 1992. The system, which is expected to be installed by late 1992, will help to ensure that aircraft are operated in a way that minimises disturbance to local communities.

Research is in hand on the effect of aircraft emissions on the upper atmosphere to help regulators decide what measures may be needed, including possible changes to international emission standards for aircraft.

Airports

Of the 144 licensed civil aerodromes in Britain, about one-fifth handle more than 100,000 passengers a year each. Twelve handle over 1 million passengers a year each (see Table 17.4). In 1991 Britain's civil airports handled a total of 97.3 million passengers (95.8 million terminal passengers and 1.5 million in transit), and 1.1 million tonnes of freight. Heathrow airport is the world's busiest airport for international travel and is Britain's most important airport for passengers and air freight, handling 40.5

million passengers (including transit passengers) and 655,000 tonnes of freight in 1991. Gatwick is also one of the world's busiest international airports.

Ownership and Control

Seven airports—Heathrow, Gatwick, Stansted and Southampton in south-east England, and Glasgow, Edinburgh and Aberdeen in Scotland—are owned and operated by BAA plc. Together they handle about 75 per cent of air passengers and 80 per cent of air cargo traffic in Britain.

Many of the other airports are controlled by local authorities. A total of 15 major local authority airports now operate as Companies Act companies. The Government is encouraging the introduction of private capital into these new companies. It is intended that Belfast International Airport be privatised in early 1994.

The CAA has responsibility for the economic regulation of the larger airports. It has powers to take action to remedy practices considered to be unreasonable or unfair, in particular any abuse of an airport's monopoly position and also to limit increases in charges to airlines at certain airports. All airports used for public transport and training flights must also be licensed by the CAA for reasons of safety. Stringent requirements, such as the provision of adequate fire-fighting, medical and rescue services, must be satisfied before a

Table 17.4: Passenger Traffic at Britain's Main Airports

	<i>million passengers</i>				
	1987	1988	1989	1990	1991
London (Heathrow)	34.7	37.5	39.6	43.0	40.2
London (Gatwick)	19.4	20.7	21.1	21.2	18.7
Manchester	8.6	9.5	10.1	10.5	10.1
Glasgow	3.4	3.6	3.9	4.4	4.2
Birmingham	2.6	2.8	3.3	3.6	3.2
Edinburgh	1.8	2.1	2.4	2.6	2.3
Belfast International	2.1	2.2	2.2	2.3	2.2
Luton	2.6	2.8	2.8	2.7	2.0
Aberdeen	1.5	1.6	1.7	2.0	2.0
London (Stansted)	0.7	1.0	1.3	1.2	1.7
Newcastle	1.3	1.4	1.5	1.6	1.5
East Midlands	1.3	1.3	1.5	1.3	1.1

Source: Civil Aviation Authority.

licence is granted. Strict security measures are in force, and the Aviation and Maritime Security Act 1990 provides for greater powers to enforce security requirements.

Development

The Government's policy is to:

- promote a strong and competitive British airline industry by encouraging the provision of airport capacity where it is needed;
- encourage the use and development of regional airports; and
- minimise the impact of airports on the environment.

Major expansion has been undertaken at Stansted. A new terminal was opened in March 1991, with an initial capacity of 8 million passengers a year. After further expansion it will cater for 15 million passengers a year. Under major expansion plans at Manchester, the first phase of a second terminal is under construction and is due to open in spring 1993, increasing capacity by one-half to 18 million passengers a year. A second terminal at Birmingham was opened in 1991, increasing capacity to 6 million passengers a year. Facilities are also being improved at other regional airports.

In February 1992 the Government announced a study of possible sites for a heliport in central London. The study is considering suitable sites but will not recommend a specific location. It will examine whether London could enjoy the benefits of a permanent heliport close to the centre without undue environmental disturbance.

Communications

The telecommunications industry is one of the most rapidly growing sectors of the British economy. Major changes occurred in the 1980s with the progressive introduction of competition into the markets for telecommunications equipment and services. In 1984, British Telecommunications (BT) was privatised, and has faced competition

from Mercury Communications in the provision of services over fixed links. Competitive mobile, satellite and data services have been licensed. The Telecommunications Act 1984 established a regulatory regime, the main feature of which is the establishment of an independent industry regulator, the Director General of Telecommunications.

Duopoly Review

In 1991 a major review of government telecommunications policy resulted in the publication of a White Paper *Competition and Choice: Telecommunications Policy for the 1990s*. This stated that the Government would consider sympathetically applications from companies wishing to run fixed telecommunications networks, ending the 'duopoly policy', under which only BT and Mercury were permitted to run such systems. By mid-1992, the Government had received 41 applications of this kind. Other important points of the review were:

- greater freedom for existing mobile telecommunications operators and the ability of cable television operators to provide services in their own right;
- more effective and streamlined procedures for the interconnection of systems, giving OFTEL (see p 335) the power to set interconnection terms where agreement could not be reached between the parties;
- the introduction of 'equal access', by which customers can exercise choice over the trunk operator that carries their calls;
- the introduction of new class licences for satellite systems and to enable companies to build and operate their own telecommunications systems; and
- the establishment of a new national numbering scheme, and the modification of operators' licences to allow for the introduction of number portability.

The Government concluded that it would be unlikely to license any new international operators to establish their own system in the short term. However, the resale of capacity on international leased circuits has already

been liberalised where this involves the conveyance of messages over a circuit connected to the public network at one end only. In addition, the Government is discussing with other countries the possibility of liberalising international simple resale—that is, where messages are conveyed over an international leased circuit connected to the public network at both ends.

Office of Telecommunications

The Office of Telecommunications (OFTEL), a non-ministerial government department, is the independent regulatory body for the telecommunications industry. It is headed by the Director General of Telecommunications, among whose functions are:

- to ensure that licensees comply with the conditions of their licences;
- to initiate the modification of licence conditions by agreement or a reference to the Monopolies and Mergers Commission;
- to promote effective competition in the telecommunications industry;
- to provide advice to the Secretary of State for Trade and Industry on telecommunications matters; and
- to investigate complaints.

The Director General also has a duty to promote the interests of consumers in respect of prices, quality and variety in telecommunications services.

Under the White Paper proposals, OFTEL will be taking over responsibility for administering the new national telephone numbering scheme. They will also oversee the introduction of a limited 'number portability' scheme, enabling someone who wished to change service provider at the same address to retain their existing number, rather than change it, as at present.

BT

In 1984 BT was reconstituted as a public limited company and a majority of the ordinary voting shares were sold to private investors. It has about 2.7 million registered

shareholders. More than 95 per cent of its 210,000 employees own shares and nearly 50 per cent are members of the Employee Share Save Scheme. In December 1991 the Government sold a further tranche of shares in a public offer, reducing its holding in BT to about 22 per cent.

BT runs one of the world's largest public telecommunications networks, including:

- 19.6 million residential lines;
- 6 million business lines;
- about 58,000 telex connections;
- more than 104,000 public payphones; and
- a wide range of specialised voice, data, text and visual services.

The inland telephone and telex networks are fully automatic. International direct dialling is available from Britain to 200 countries, representing 99 per cent of the world's telephones. Automatic telex service is available to more than 200 countries.

Network Modernisation

BT has invested more than £17,000 million in the modernisation and expansion of its network to meet the increasing demand for basic telephone services and for more specialised services. The company has more than 2 million km (1.2 million miles) of optical fibre laid in its network in Britain, a higher proportion than any other world operator. There are more than 3,650 digital and modern electronic exchanges serving some 80 per cent of telephone lines. The combination of digital exchange switching and digital transmission techniques, using optical fibre cable and microwave radio links, is substantially improving the quality of telephone services for residential and business customers, as well as making possible a wider range of services through the company's main network.

General Services

BT's services include:

- a free facility for emergency calls to the police, fire, ambulance, coastguard, lifeboat and air-sea rescue services;

- directory enquiries;
- various chargeable operator-connected services, such as reversed-charge calls and alarm calls;
- an operator-handled Freefone service and automatic 'LinkLine' facilities that enable callers to contact organisations anywhere in Britain, either free or at local call rates;
- Callstream, a premium-rate service which allows callers to obtain information from independent providers; and
- network services such as three-way calling, call waiting and call diversion, which are available to customers on digital exchanges.

Under a public payphone service modernisation programme, a total of £165 million has been spent on modernisation and additional provision on sites convenient for travellers, such as railway stations and motorway service areas. A number of cashless call developments are being carried out, including the Phonecard service, using prepaid encoded cards, and cardphones that use credit cards. Phonecard payphones account for more than 19,000 of the total of 104,000 payphones. There are about 280,000 private rented payphones on premises to which the public has access and these are also being upgraded with push-button equipment.

Prestel, BT's videotext service, and Telecom Gold (an electronic mail and information service) form part of the company's data services division, BT Tymnet Europe. Prestel was the first service of its kind to enable a wide variety of computer-stored information to be called up via the telephone on a computer, a terminal or an adapted television. Up to 100,000 terminals can connect to Prestel, primarily in businesses. Through its 'gateway' links with other databases, a wide range of other services, such as company accounting and market research information, banking services, holiday booking and reservation facilities, insurance and financial markets information, and BT's telephone directories, are available.

International Services

BT is the second largest shareholder in the International Telecommunications Satellite Organisation (of which 120 countries are members) and in the European Telecommunications Satellite Organisation. It is also a leading shareholder in the International Maritime Satellite Organisation, with interests in a number of other consortia.

A substantial proportion of the intercontinental telephone traffic to or from Britain is carried by satellite. BT operates satellite earth stations in the London Docklands and at Goonhilly Downs (Cornwall), Madley (near Hereford) and Aberdeen. Its range of digital transmission services includes a number available overseas, including 'Satstream' private circuit digital links covering North America and Western Europe using small-dish aerials, and an 'International Kilostream' private circuit service available to the United States, Australia and most major business centres in Asia and the rest of Europe. Extensive direct-dial maritime satellite services are available for vessels worldwide. In-flight operator-controlled telephone call facilities are available via Portishead radio station near Bristol. Digital transmission techniques have been introduced for services to the United States, Japan, Hong Kong and Australia via the Madley and Goonhilly stations.

Recent advances in submarine cable design, with the use of optical fibre technology, have significantly increased capacity. A high-capacity transatlantic optical fibre cable (TAT 9), which cost about £250 million and is able to carry about 75,000 telephone calls simultaneously, came into operation in March 1992 to supplement an earlier link.

British Telecom's overseas consultancy service, Telconsult, has so far completed 270 projects in more than 60 countries.

Mercury Communications

Mercury Communications Ltd, a wholly owned subsidiary of Cable and Wireless plc,

is licensed as a public telecommunications operator in Britain. Mercury has constructed its own long-distance all-digital network comprising over 3,000 km (1,875 miles) of optical fibre cables and 2,700 km (1,685 miles) of digital microwave links. The network runs from the north of Scotland to the south coast, serving some 88 cities and towns across Britain. Coverage is enhanced through Mercury's own city cable networks as well as through partnerships with local cable television operators. Service is also provided over microwave connections.

Mercury offers a full range of long-distance and international telecommunications services for both business and residential customers. In addition to voice and data transmission, the company supplies sophisticated messaging systems, mobile telecommunications and a range of equipment for customers' premises. Major customers can have a direct digital link between their premises and the Mercury network. A number of routing devices have also been developed to enable customers to use Mercury indirectly via their existing exchange lines. Residential customers can buy a Mercury-compatible phone and access the network at the touch of a button.

International services are provided by satellite communications centres in London's docklands and in Oxfordshire, as well as by submarine cable links to Europe and the United States.

Mobile Communications

The Government has encouraged the expansion of mobile telecommunications services. It has licensed Vodafone Ltd and Telecom Securicor Cellular Radio Ltd to run competing national cellular radio systems. Considerable investment has been made in establishing their networks to provide increased capacity for the growing numbers of cellular radio telephone users (over 1.2 million by the end of 1991). The two companies will also run the new pan-European mobile system in Britain.

Britain will be the first country to offer personal communications network (PCN) services, which are intended to allow the

same telephone to be used at home, at work and as a portable wherever there is network capacity. In 1991 the Government issued licences to three operators—Mercury Personal Communications Ltd, Microtel Communications Ltd and Unitel Ltd (which has since merged with Mercury Personal Communications) to run PCNs in the frequency range around 1.8 gigahertz. The first service is expected to start in 1993.

Two operators, GEC National One and Band 3 Radio Ltd, have been licensed to offer a nationwide trunked radio service as a joint venture, while a number of licences have been awarded for London and regional services. Licences have also been granted to a number of companies to run nationwide paging and mobile data networks.

In January 1992 the Government decided in principle to license Ionica L3 Ltd to set up a new network to provide telephone and other telecommunications services to homes and businesses using radio to make the final connection.

Fax

It is estimated that the number of fax terminals in Britain rose from 86,000 in December 1986 to 900,000 in December 1990.

Cable Television

The Government has licensed 119 companies that were awarded local cable television franchises to run broadband cable telecommunications systems. The 45 systems in operation provide television programmes, but some are already offering interactive services including local voice telephony. The Government concluded in the duopoly review that cable operators should be able to offer voice telephony in their own right, which could previously only be provided in conjunction with BT or Mercury.

Cable & Wireless

Cable and Wireless plc provides a wide range of telecommunications in some 50 countries worldwide. Its main business is the provision

and operation of public telecommunications services in over 30 countries and territories, including the United States, Japan and Hong Kong, under franchises and licences granted by the governments concerned. It also provides and manages telecommunications services and facilities for public and private sector customers, and undertakes consultancy work. It operates a fleet of 11 ships and three submersible vehicle systems for laying and maintaining submarine telecommunications cables. In recent years the company has been constructing and bringing into service a broadband digital network linking major world economic and financial centres in Europe, north America and the Pacific rim. The first leg of this 'Global Digital Highway', the private transatlantic optical fibre cable linking Britain, the Irish Republic, the United States and Bermuda, entered service in 1989, and the North Pacific Cable, the first direct cable between the United States and Japan, entered service in 1991, connecting to other optical fibre cables in the Pacific rim region. Cable & Wireless is pursuing a strategy of providing premium services for business customers, expanding basic telecommunications services and building up mobile communications businesses around the world.

POSTAL SERVICES

The Post Office, founded in 1635, pioneered postal services and was the first to issue adhesive postage stamps as proof of advance payment for mail.

The Royal Mail provides deliveries to 24.5 million addresses and handles over 60 million letters and parcels each working day, which comes to over 15,000 million items a year. Some 166 million parcels were handled in 1990-91. Mail is collected from over 120,000 posting boxes, as well as from post offices and large postal users.

Mail sorting was traditionally done by hand at some 600 offices of varying size and capacity. During the past 20 years, however, much of the process has been mechanised and concentrated into larger offices. Some 80 such mechanised letter offices are now in

operation. The British postcode system is one of the most sophisticated in the world, allowing mechanised sorting down to part of a street on a postman's round and, in some cases, to an individual address. The Post Office's parcels operation, Parcelforce, will be investing £250 million over the next five years in developing an advanced distribution network and in other improvements. In July 1992 the Government announced its intention to privatise Parcelforce in due course; an essential requirement would be the continuation of a universal parcel service at a uniform and affordable tariff.

Britain has good international postal services, with prices among the cheapest. Royal Mail International dispatches 600 million items a year, including some 500 million by air. It has its own mail handling centre at Heathrow, opened in 1989, which handles some four-fifths of outward airmail. It uses 1,400 flights a week to send mail direct to over 300 destinations worldwide.

Post Office Counters Ltd handles a wide range of transactions; it acts as an agent for the letters and parcels businesses, government departments, local authorities and Girobank, which was transferred to the private sector in 1990. There are over 20,000 post offices, of which some 1,050 are operated directly by the Post Office. The remainder are franchise offices or are operated on an agency basis by sub-postmasters.

Post Office Specialist Services

The Post Office offers a range of specialist services. Parcelforce 'Datapost', a door-to-door delivery service, provides overnight delivery throughout Britain and an international service to over 160 countries. 'Datapost Sameday' provides a rapid delivery within or between more than 100 cities and towns in Britain. The Philatelic Bureau in Edinburgh is an important outlet for the Post Office's philatelic business, including sales to overseas collectors or dealers. The British Postal Consultancy Service offers advice and assistance on all aspects of postal business to overseas postal administrations, and nearly 40 countries have used its services since 1965.

Competition in Postal Services

The Post Office has a monopoly on the conveyance of letters within Britain, but the Secretary of State for Trade and Industry has the power to suspend the monopoly in certain areas or for certain categories of mail and to license others to provide competing services. The Secretary of State has suspended the monopoly on letters subject to a minimum fee of £1, and has issued general licences enabling mail to be transferred between document exchanges and allowing charitable organisations to carry Christmas cards. The Government intends to introduce wider competition in postal services by:

- the reduction of the present £1 letter monopoly to a level much closer to the price of a first-class stamp;
- an extended discount system, so that the Post Office could offer further discounts to users who carry their mail in bulk as far as the final delivery office; and

- the licensing of 'niche' services under the monopoly limit.

Under these proposals, the Secretary of State would be advised by a new regulator on ways of preventing the Post Office from cross-subsidising its services in ways which may be unfair to its competitors or to specific groups of customers.

Private Courier and Express Service Operators

Private sector couriers and express operators are able to handle time-sensitive door-to-door deliveries, subject to a minimum fee of £1. The courier/express service industry has grown rapidly, by about 20 per cent a year, and the revenue created by the carriage of these items is estimated at over £3,000 million a year. Britain is one of the main providers of monitored express deliveries in Europe, with London an important centre for air courier/express traffic.

18 Employment

Employment in Britain grew substantially during the 1980s, although recently it has declined as a result of the recession. There was also a considerable decline in unemployment during the late 1980s. This represented the longest period of falling unemployment since the second world war, although in common with many other industrialised countries unemployment has risen during the 1990s.

The Government has taken a number of steps to improve the labour market, with the aim of creating an economic climate in which business can flourish and create more jobs. These include:

- increasing the flexibility of the labour market;
- removing burdens on employers, including regulatory barriers which hinder recruitment; and
- encouraging better training, especially by setting up Training and Enterprise Councils and, in Scotland, Local Enterprise Companies (see p 168).

In February 1992 the Government set out

its proposals for action to widen the opportunities and choices for people at work in a White Paper, *People, Jobs and Opportunity*.

The Government supports a social dimension to the European Community which takes account of the different employment patterns and practices in the 12 member states. It is committed to Community action to facilitate the free movement of workers and to ensure good standards of health and safety at work and equal treatment of men and women. However, it believes that central regulation of employment conditions in the Community would restrict unnecessarily the freedom of action of individual employers and employees. It has therefore opposed proposals for a European Social Charter based on wider Community regulation and Community-wide restrictions on working time.

TRENDS IN THE LABOUR MARKET

The total workforce in June 1991 was 28.3 million, of whom 22.2 million (11.6 million

Table 18.1: Manpower in Britain 1981–1991

	<i>Thousands (as at June), seasonally adjusted</i>						
	1981	1986	1987	1988	1989	1990	1991
Employees in employment ^a	21,870	21,379	21,586	22,266	22,670	22,895	22,251
Self-employed	2,119	2,633	2,869	2,998	3,253	3,298	3,143
Unemployed ^b	2,176	3,121	2,839	2,299	1,791	1,618	2,293
Armed forces	334	322	319	316	308	303	297
Work-related government training programmes ^c	—	226	311	343	462	423	353
Workforce ^d	26,697	27,877	28,077	28,347	28,492	28,530	28,340

Sources: Department of Employment and Northern Ireland Department of Economic Development.

^a Part-time workers are counted as full units.

^b Figures are adjusted for discontinuities and exclude school-leavers.

^c Not seasonally adjusted.

^d Comprises employees in employment, the self-employed, the armed forces, participants in work-related government training programmes and the unemployed (including school-leavers).

men and 10.6 million women) were classed as employees in employment. Major long-term trends have included the growth in the proportion of the workforce accounted for by women, as more married women have sought work, especially in part-time employment; and a substantial increase in self-employment. By June 1991 the number of self-employed people was estimated at 3.1 million, representing 12.1 per cent of the employed workforce. There has been a continuing shift towards part-time, temporary and sub-contracting employment. Together with the growth of self-employment, this has encouraged greater labour market flexibility.

Patterns of Employment

As in other industrialised countries, there has been a marked shift in jobs from manufacturing to service industries. Between 1955 and 1991 the proportion of employees in employment engaged in service industries rose from 36 per cent to 71 per cent as higher living standards and technological developments stimulated the growth of many service industries.

Employment in most service industries, with some exceptions such as transport, has grown considerably, although the trend was reversed in 1991. Nevertheless, the number of employees in service industries in Great Britain in June 1991, at 15.4 million, was 2.2 million (17 per cent) higher than in 1981. The largest rise in this period was in the banking, finance and insurance sector (which rose by 55 per cent to 2.7 million), while there was also a substantial increase in hotels and catering (32 per cent). Manufacturing industry accounted for 43 per cent of employees in employment in 1955, but by 1991 the proportion had fallen to 22 per cent. Nearly all manufacturing industries have experienced a decline in employment as markets for manufactured goods changed and as new technology brought greater efficiency.

Unemployment

Unemployment reached a peak in July 1986 when, on a seasonally adjusted basis

(excluding school-leavers), it totalled over 3.1 million, 11.2 per cent of the workforce. It then fell continuously, declining by 1.5 million by March 1990. Since then unemployment has been rising. In August 1992 it totalled 2.8 million, 9.9 per cent of the workforce.

The Government has introduced a wide range of measures to help combat unemployment. These include Employment Action, a programme offering temporary work to maintain existing skills and support in searching for a job. It is targeted on those unemployed for six months or more, particularly in inner city and rural areas. With funding of some £78 million in 1992-93, it is expected to provide work experience for some 60,000 people a year on local projects of benefit to the community.

TRAINING, EDUCATION AND ENTERPRISE

Employers in Britain spend over £20,000 million a year on employee training and development. A wide-ranging survey of training in 1986-87 found that the health sector provided most training in terms of the number of days per employee, followed by education and central government. Overall, the 1991 Labour Force Survey found that the number of employees who had received recent training was 73 per cent higher than it had been seven years previously. Individuals are also being encouraged to train by means of tax reliefs and loan schemes.

The Government funds a number of training, education and enterprise programmes. Expenditure by the Department of Employment Group on training, enterprise and vocational education has risen to £2,700 million in 1992-93. Resources have been increased in several areas, with 100,000 additional opportunities for training and help for the unemployed being provided compared with 1991-92.

Government Policy

The Government's major aims for the 1990s are that:

- employers should invest more effectively in the skills their businesses need;
- young people should have the motivation to achieve their full potential and to develop skills the economy needs;
- individuals should be persuaded that training is worthwhile and that they should take more responsibility for their own development;
- people who are unemployed and those at a disadvantage in the job market should be helped to get back to work and to develop their abilities to the full;
- providers of education and training should offer high quality and flexible provision which meets the needs of individuals and employers; and
- enterprise should be encouraged throughout the economy, particularly through the continued growth of small business and self-employment.

Training and Enterprise Councils

A network of 82 employer-led Training and Enterprise Councils (TECs) has been set up throughout England and Wales. Their main functions are:

- to promote more effective training by employers and individuals;
- to develop innovative solutions to local problems;
- to provide practical help to employers through Business Enterprise Training;

Table 18.2: Employees in Employment in Great Britain^a

Thousands (as at June)

Industry or service (1980 Standard Industrial Classification)					Per cent
	1981	1986	1990	1991	1991
Primary sector	1,043	770	719	703	3.2
Agriculture, forestry and fishing	343	234	278	272	1.3
Energy and water supply	700	536	441	431	2.0
Manufacturing^b	6,099	5,122	5,039	4,720	21.7
Construction	1,102	964	1,044	939	4.3
Services	13,142	13,954	15,567	15,381	70.7
Wholesale distribution and repairs	1,112	1,134	1,235	1,217	5.6
Retail distribution	2,051	2,054	2,237	2,143	9.9
Hotels and catering	930	1,026	1,256	1,230	5.7
Transport	975	867	930	913	4.2
Postal services and communications	429	412	431	415	1.9
Banking, finance and insurance	1,712	2,136	2,710	2,658	12.2
Public administration	1,844	1,868	1,927	1,923	8.8
Education	1,559	1,592	1,748	1,741	8.0
Health	1,247	1,312	1,431	1,467	6.7
Other services	1,315	1,553	1,662	1,674	7.7
Total	21,386	20,886	22,369	21,743	100.0

Source: Department of Employment.

^a Figures are not seasonally adjusted.

^b In June 1991 employment in the main sectors of manufacturing industry included 691,000 in office machinery, electrical engineering and instruments; 678,000 in mechanical engineering; 544,000 in food, drink and tobacco; 497,000 in timber, wooden furniture, rubber and plastics; 474,000 in paper products, printing and publishing; 439,000 in textiles, leather, footwear and clothing; 303,000 in chemicals and synthetic fibres; and 220,000 in motor vehicles and parts.

Note: Differences between totals and the sums of their component parts are due to rounding.

- to deliver and develop Youth Training and Employment Training (see below); and
- to stimulate enterprise and economic growth by providing support to new and existing small firms.

TECs are playing an increasingly important role in the delivery of training programmes and in influencing local education provision, for example, in the development of the Technical and Vocational Education Initiative (see p 157). TECs have also taken charge of the money that the Department of Employment previously spent on work-related further education; this amounts to some £101 million in 1992-93 in England. They have thus become able to work directly with further education colleges and local education authorities. Total government funding to TECs in 1992-93 is some £2,200 million.

A separate network of 22 Local Enterprise Companies (LECs) exists in Scotland. These have wider-ranging responsibilities than the TECs, covering economic development and environmental improvement. LECs operate the same programmes as TECs, but, unlike them, have no responsibility for work-related further education. They run under the supervision of the two enterprise bodies, Scottish Enterprise and Highlands and Islands Enterprise (see p 168).

Industry Training Organisations

Industry Training Organisations (ITOs) act as the focal point for training matters in their particular sector of industry, commerce or public service. Their role is to ensure that the skills needs of their sectors are being met and that occupational standards are being established and maintained for key occupations. There are over 120 independent ITOs, many of which superseded former statutory training boards, covering sectors employing about 85 per cent of the civilian workforce. The National Council of Industry Training Organisations, a voluntary body set up to represent the interests of ITOs, aims to improve the effectiveness of these bodies, for example, by encouraging good practice.

Employment Training

Employment Training provides a flexible and individually adapted training programme to help longer-term unemployed people acquire the skills needed for work, including for many the chance to acquire an appropriate qualification or credit towards one. An individual's training needs are identified and an agreed action plan is drawn up. Training is carried out by training providers under contract with the local TEC or LEC. For 1992-93 Employment Training has a budget of £807 million to provide training opportunities for up to 250,000 trainees.

Entry to the programme can be through a variety of routes, including a Restart interview (see p 346) or by application at a jobcentre. Trainees receive a training allowance of £10 a week more than their benefit entitlement, and they may also receive help towards travel fares and other expenses.

Youth Training

Youth Training gives young people who choose not to stay on in full-time education and who are not already employed the opportunity of a broad-based vocational education and to achieve a vocational qualification or a credit towards one. It puts an emphasis on raising the level of qualifications of new entrants to the workforce and on results, such as vocational qualifications, rather than on time spent in training. It offers the chance to gain specific skills of relevance to work and to improve the employment prospects of young people.

Training Credits, which operate within the broad framework of Youth Training, give young people who have left full-time education to join the labour market an entitlement to train to approved standards. Ten TECs and one LEC started pilot projects in April 1991, offering Training Credits to around 10 per cent of 16- and 17-year-old school-leavers. Over 21,300 young people started to use their credits in the first full year of operation. In 1991 the

Government announced its intention to extend Training Credits to all school-leavers aged 16 and 17 by 1996. In April 1993 seven more TECs and two LECs will start offering Training Credits to a further 10 per cent of eligible young people.

Enterprise Development

TECs and LECs are taking over the running and development of business and enterprise training to meet the needs of local employers. They now have a combined budget for all their enterprise development activities, which includes training and financial support to new entrepreneurs.

The TECs and LECs offer a range of flexible programmes designed to help small to medium-sized businesses to improve their planning, and to develop the business skills of owner-managers. Training advice, information and financial support are also available for people wishing to set up in business.

Education Initiatives

In 1991 the Government set out in two White Papers (one of which related to Scotland) its proposals for education and training. The White Papers contain proposals to achieve a fully integrated system of education and training which aims to:

- fulfil the potential of more young people who would otherwise miss out on education and training after 16;
- equip everyone with stronger basic skills and more people with higher-level skills;
- bridge the academic-vocational divide; and
- build up a partnership between employers and the education system.

Specific government initiatives to make education more relevant to the needs of working life include:

- the Technical and Vocational Education Initiative, which aims to equip all 14- to 18-year-olds in full-time education for the demands of working life;

- Education Business Partnerships, which encourage a broad range of activities to help young people reach their highest potential, encourage learning throughout life, and meet employers' needs for a well qualified and motivated workforce;
- Compacts—originally introduced in inner city areas, but now extended more widely—which are agreements between young people, employers, schools/colleges and training providers, under which young people work towards locally agreed goals and employers commit jobs with training for those achieving their goals;
- Enterprise in Higher Education, which works with higher education institutions to promote enterprise in those institutions, and the development of enterprise and other personal skills in learning;
- High Technology National Training, for unemployed people in sectors affected by skill shortages; and
- Work Related Further Education, which is intended to make further education more responsive to the needs of the labour market.

Vocational Qualifications

Reform and rationalisation of vocational qualifications has been carried out by the National Council for Vocational Qualifications (NCVQ), set up in 1986, and by the Scottish Vocational Education Council. New National Vocational Qualifications (NVQs) have been established in England, Wales and Northern Ireland, and the Scottish Vocational Qualification (SVQ) in Scotland. They are based on national standards of competence set by industry. Candidates are usually assessed in the workplace under normal working conditions.

There are five levels within the NVQ and SVQ framework (see p 164). NVQs and SVQs at levels 1 to 4 to cover 80 per cent of the employed workforce are expected to be accredited by the end of 1992.

National Education and Training Targets

In 1991 national targets for education and training were agreed by over 100 national and local organisations including all TECs, LECs and ITOs, and other major education, training and employer bodies. The Government also confirmed its support for the targets, since they underpin its aims and are a measure of action needed to raise skill levels. The task of meeting the targets lies with many interests—primarily with employers, but also with schools, colleges and higher education institutions, with trade unions, with individual people and with TECs, LECs and ITOs. The Government is making its contribution by carrying through its fundamental reforms of education, qualifications and training.

The targets cover both young people and the workforce as a whole. Examples of the targets set are that by 1997, 80 per cent of young people should reach NVQ/SVQ level II, or its academic equivalent; and that by 1996 all employees should take part in training or development activities.

Investors in People Initiative

The Government has launched the Investors in People initiative, developed by employers. As its focus, it has a national standard for effective investment in people, and aims to encourage employers to develop all employees in line with business goals. Investors in People is delivered locally by TECs and LECs, which provide advice and information to help organisations to work towards the standard. By August 1992, 76 organisations had been 'recognised' by their local TEC as Investors in People, and some 1,200 organisations had made a formal commitment to work towards the standard.

Other Training Measures

In March 1993 the Government will launch through the TECs and LECs a new initiative to develop effective local information, assessment and guidance services. Individuals will be offered credits

to be used to buy the guidance and assessment services of their choice. The initiative is planned from April 1993 involving 16 TECs and LECs, with 250,000 people involved in 1993–94 and 1994–95. If credits prove successful, the Government intends to make them available across Great Britain.

Open learning opportunities have been increased by the creation of the Open College, an independent company which promotes the acquisition of skills through the method of open learning. Over 160,000 people have taken its courses since 1987.

People wishing to undertake vocational training of their choice can apply for a Career Development Loan to one of three major banks. Loans of £300 to £5,000 can help to pay for vocational training courses between a week and a year in length. Loans may cover up to 80 per cent of course fees, plus the cost of books and materials. The Government's involvement is to pay the interest on the loan during the course and for up to three months afterwards.

Scotland

Two new bodies have been set up under recent legislation—Scottish Enterprise for the lowlands of Scotland, and Highlands and Islands Enterprise for the highlands and islands area. They assumed responsibility for the functions of economic development and training previously exercised by the Scottish Development Agency, the Highlands and Islands Development Board and the Training Agency in Scotland. Their main duties are to:

- stimulate self-sustaining economic development;
- maintain and safeguard employment;
- enhance employment skills; and
- promote industrial efficiency and international competitiveness.

The new bodies contract out much of their work to the network of 22 Local Enterprise Companies led by the private sector (see p 168).

Northern Ireland

The Training and Employment Agency, an executive agency within the Department of Economic Development for Northern Ireland, has primary responsibility for training and employment services. Its overall aim is to assist economic growth by ensuring the provision and operation of training and employment services that contribute to Northern Ireland firms becoming more competitive and individuals obtaining the skills required. The Agency works closely with employers and is encouraging each of the key sectors of industry to form a sector representative body to represent the opinion of employers, and others, about individual sectoral training needs. It has also established sectoral working groups to develop training strategies for individual sectors.

Northern Ireland has its own training and work experience schemes, including:

- the Action for Community Employment programme, which provides training and jobs for long-term unemployed people;
- the Job Training programme, which parallels Employment Training in Great Britain; and
- the Youth Training programme.

Management training and development is an important area for the Training and Employment Agency. It provides a range of schemes designed to improve and develop management skills both for existing and unemployed managers and for graduates seeking to follow managerial careers. The Agency's Client Advisory Staff promote the benefits of training and offer advice suited to the needs of individual companies and industrial sectors. Responsibility for enterprise development in Northern Ireland lies with the Local Enterprise Development Unit (see p 229). Its enterprise responsibilities include enterprise training, enterprise grants and the development of the Northern Ireland network of local enterprise agencies.

EMPLOYMENT SERVICES

The main priorities of the Employment Service, an executive agency within the

Department of Employment, are to help unemployed people back to work and to maintain the accurate and prompt payment of benefit to unemployed people, while ensuring that payment is made only to those entitled to it. The Employment Service has issued the Jobseeker's Charter, setting out the standards of service which those seeking work are entitled to expect from jobcentres and unemployment benefit offices.

The Employment Service's range of services to jobseekers includes:

- a network of jobcentres, at which people can find details of job opportunities;
- advice and guidance, so that people can find the best route to return to employment, for example, by training;
- special programmes such as Jobclubs and the Job Interview Guarantee; and
- advice and guidance on services available for people with disabilities.

The jobcentre network handles about one-third of vacancies in the economy, and over 85 per cent of the 1.5 million people whom it placed in jobs in 1991-92 were unemployed. Jobcentres are now being integrated with unemployment benefit offices, so as to provide a comprehensive service to unemployed people.

Advisory Services

As part of the Employment Service programme of individual interviews, advisers provide unemployed people with information on employment and training opportunities available to them locally. New client advisers interview newly unemployed people to check their eligibility for benefit. Together with the unemployed person, they agree a 'Back to Work Plan' which shows them the best course of action to follow to get back to work. These plans are reviewed at every advisory interview.

Under the Restart programme, everyone who has been unemployed six months or more is asked to attend a Restart interview with a claimant adviser. The adviser and unemployed person discuss that person's circumstances, with the aim of helping them

back into work as soon as possible. This could include:

- advice on job vacancies;
- enrolment on a training programme;
- a place in a Jobclub, where participants are given training and advice in job-hunting skills and have access to facilities to help an intensive job search;
- help through the Job Interview Guarantee programme, whereby employers guarantee interviews to everyone submitted for their vacancies through the programme;
- a Restart course, usually over five days, designed to rebuild self-confidence and motivation and including help with job-hunting skills; or
- the chance of self-employment with direct financial help through the Enterprise Allowance Scheme, which gives financial support to unemployed people to start their own business.

Other Functions

The Employment Service also aims to help people with disabilities find work. All Employment Service programmes make provision for people with disabilities. Services for people with disabilities are now being delivered through local integrated specialist teams—Placing Assessment and Counselling Teams. They are supported by nine regional Ability Development Centres, which will develop new techniques in providing assessment, work preparation and practical help for people with disabilities. A wide range of programmes, such as one offering sheltered employment opportunities, is available for people with disabilities who need specialist help.

Careers Service

Local education authorities in Great Britain provide a careers service for people attending educational institutions (apart from universities, which normally have their own careers service) and an employment service for those leaving them. The Government is

seeking to establish closer links between employers and the Careers Service and make it more responsive to local needs.

INDUSTRIAL RELATIONS

The structure of industrial relations in Britain has been established mainly on a voluntary basis. The system is based chiefly on the organisation of employees and employers into trade unions and employers' associations, and on freely conducted negotiations at all levels.

Collective Bargaining and Joint Consultation

In many industries terms and conditions of employment and procedures for the conduct of industrial relations have traditionally been settled by negotiation between employers and trade unions. Trade unions are widely recognised by employers, especially in the public sector and in large firms and establishments. Agreements may be industry-wide, as has generally been the case in the public sector, but they are often supplemented by local agreements in companies or factories (plant bargaining). Individual companies may have their own agreements, either for the whole company or for each plant.

In some industries or companies, negotiations are conducted by meetings held when necessary. In others joint consultative committees have been established on a permanent basis. Joint committees are fairly widespread, especially in large firms. The scope of the various bodies (from national joint industrial councils for whole industries to works committees in individual work-places) varies widely. It can cover matters other than pay and conditions, such as:

- production plans;
- training;
- welfare; and
- safety.

Such committees often also act as a forum for more general consultation between workers and employers. Day-to-day negotiations on various aspects of pay (such

as bonuses or performance pay) are normally handled at plant level. Arrangements for collective bargaining usually suffice to settle all questions which are raised, but there is often provision for matters which cannot be settled in this way to be referred to independent conciliation or arbitration. The law provides for information needed for collective bargaining purposes to be disclosed by employers to trade unions, subject to certain safeguards.

Developments

In recent years employers have moved away from long-standing national or industry-wide arrangements for bargaining and consultation with trade unions towards negotiation at a more local level. The proportion of the workforce covered by multi-employer national agreements declined from 60 per cent in 1978 to 34 per cent in 1991. Areas in which national industry-wide pay bargaining has been ended include electricity generation and supply, the printing of national newspapers, commercial broadcasting and the London clearing banks.

The Government has favoured moves away from national pay bargaining towards systems where pay increases are dependent primarily on performance, merit, company profitability, and local labour market conditions. Many employers have sought greater flexibility through a closer relationship between pay and performance, particularly through performance-related pay schemes.

Another recent feature has been the development of 'new style' agreements, often associated with overseas-owned companies, although they are also found in British-owned firms. These agreements often involve:

- the recognition of a single union for all of a company's employees (particularly for companies recognising unions for the first time);
- 'single status', involving the elimination of the traditional distinction between managers, supervisors and other employees;
- a greater emphasis on employee participation; and
- flexibility in working practices.

Employee Involvement

Employers practise a wide variety of methods of informing and consulting their employees, not only through committees but also through direct communication between management and employees. These methods include:

- employee bulletins and reports;
- briefing systems;
- quality circles;
- financial participation schemes; and
- attitude surveys.

Arrangements of this sort are seen by the Government as a key factor in increasing employee commitment and improving business productivity and performance.

Trade Unions

Trade unions have members in nearly all occupations. As well as negotiating pay and other terms and conditions of employment with employers, they provide benefits and services such as educational facilities, financial services, legal advice and aid in work-related cases. In recent years several unions have extended considerably the range of services they offer to members. Trade unions vary widely in the composition of their membership, and may be organised either by occupation (for example, they may recruit clerical staff or managers wherever employed) or by industry, while some are based on a combination of both. Staff associations represent the employees of a particular company.

There has been a decline in trade union membership, and by the end of 1990 total union membership was about 9.9 million, of whom 58 per cent were in the nine largest unions. The decline reflects the moves away from manufacturing and public services, both of which have a relatively high level of membership.

The number of unions has also fallen, reflecting a number of mergers and the absorption by larger unions of small unions and of long-established craft unions. Several unions are discussing possible mergers. At

the end of 1991 there were 309 trade unions on the list maintained by the Certification Officer. To be eligible for entry on the list a trade union must show that it consists wholly or mainly of workers and that its principal purposes include the regulation of relations between workers and employers or between workers and employers' associations.

Six unions had over 500,000 members at the end of 1991:

- the Transport and General Workers' Union (1.1 million);
- the GMB (863,000);
- the National and Local Government Officers' Association (760,000);
- the Amalgamated Engineering Union (622,000);
- the Manufacturing, Science and Finance Union (604,000); and
- the National Union of Public Employees (551,000).

The Amalgamated Engineering Union and the Electrical, Electronic, Telecommunication and Plumbing Union merged in 1992 to form the Amalgamated Engineering and Electrical Union, with 940,000 members. Proposals are being considered for a merger of the Confederation of Health Service Employees, the National Union of Public Employees and the National and Local Government Officers Association. If this went ahead, it would create a combined union with some 1.5 million members.

Trade union organisation varies widely, but the central governing body usually consists of a national executive council or committee, elected by a secret ballot of the individual members and responsible to the conference of delegates from local branches, normally held annually. Many unions also have regional and district organisations. At the level of the individual member there are local branches, covering one or more workplaces. The organising of members in individual places of work and the negotiation

of local pay agreements with management at the workplace may be done by full-time district officials of the union or, in many cases, by elected workplace representatives, often called 'shop stewards'. Where two or more unions have members in the same workplace, shop stewards' committees may be formed to discuss matters of common concern.

Trades Union Congress

In Britain the national centre of the trade union movement is the Trades Union Congress (TUC), founded in 1868. Its affiliated membership comprises 72 trade unions, which together represent some 7.8 million people, or about 78 per cent of all trade unionists in Britain.

The TUC's objectives are to promote the interests of its affiliated organisations and to improve the economic and social conditions of working people. The TUC deals with all general questions which concern trade unions, both nationally and internationally, and provides a forum in which affiliated unions can collectively determine policy. There are eight TUC regional councils for England and a Wales Trades Union Council.

The annual Congress meets in September to discuss matters of concern to trade unionists. A General Council represents the TUC between annual meetings by:

- carrying out Congress decisions;
- watching economic and social developments;
- providing educational and advisory services to unions; and
- presenting in national debate the trade union viewpoint on economic, social and industrial issues.

The TUC plays an active part in international trade union activity, through its affiliation to the International Confederation of Free Trade Unions and the European Trade Union Confederation. It also nominates the British workers' delegation to the annual International Labour Conference.

Scotland and Northern Ireland

Trade unions in Scotland also have their own national central body, the Scottish Trades Union Congress, which in many respects is similar in constitution and function to the TUC. Trade unions in Northern Ireland are represented by the Northern Ireland Committee of the Irish Congress of Trade Unions (ICTU). Most trade unionists in Northern Ireland are members of organisations affiliated to the ICTU, while the majority also belong to unions based in Great Britain which are also affiliated to the TUC. The Northern Ireland Committee of the ICTU enjoys a high degree of autonomy.

Legal Framework

The Government's reforms of industrial relations and trade union law have helped establish a better balance of power between trade unions and employers, and between trade unions and their own members. These reforms have played a key role in transforming Britain's industrial relations. The Government believes that the Employment Acts of 1980, 1982, 1988 and 1990, and the Trade Union Act 1984 have helped to make union leaders more accountable to their members and to promote an acceptance of the role of the law in industrial relations.

There were 761,000 working days lost as a result of industrial action in 1991, the lowest since records began 100 years ago. The number of stoppages was 369, the lowest since 1933.

Trade Union Recognition

The previous statutory recognition procedure was repealed in 1980. Employers are now free to decide whether or not they wish to recognise, or continue to recognise a particular union, or unions, for collective bargaining purposes.

Industrial Action

Under common law, it is unlawful to induce workers to break a contract or to threaten to

do it. Thus, without special protection, trade unions (or any other person or organisation) would face the possibility of legal action for inducing breaches of contract every time they called a strike or other form of industrial action. To prevent this, 'statutory immunities' were introduced, which provide that trade unions and others can, in certain circumstances, organise industrial action without fear of being sued in the courts. These immunities only protect those who call for or organise industrial action. They do not protect individuals who choose to take industrial action from being dismissed, or from legal action by their employer.

Prior to the 1980s, the circumstances in which these immunities applied were very wide, so that the organisation of almost any industrial action was protected. The legislative reforms of the past decade have restricted the scope of these immunities in a number of ways. To have the benefit of statutory immunity, the organisation of industrial action must now be in contemplation or furtherance of a trade dispute between workers and their own employer, and must not:

- involve workers who have no dispute with their own employer (so-called 'secondary' action);
- involve unlawful picketing;
- be done to establish or maintain a union-only labour agreement (the 'closed shop'); or
- be done in support of any employee dismissed while taking unofficial industrial action.

Before calling for industrial action, a trade union must first obtain the support of its members in a properly-conducted secret ballot. Moreover, any trade union member has the right to restrain his union from calling on him, and other members, to take action unless a ballot has supported the action.

A trade union is now responsible in law if industrial action is called for or organised by any of its officials. This means that if a trade union acts unlawfully, for example, by calling for industrial action without a proper secret ballot, legal proceedings can be taken against the union itself. The law also means that if a

union defies a court order, for example, an order to withdraw an unlawful call for industrial action, it can be held to be in contempt of court. In such circumstances severe penalties can be imposed, including sequestration of the union's assets.

Trade Union Elections

The law requires a trade union to elect every member of its governing body, its general secretary and its president. Elections must be held every five years and be carried out by secret postal ballot of the union's members. The election must be held under independent scrutiny. Any union member who believes that the union has not complied with the statutory requirements may complain to the courts or to the Certification Officer.

Members' Rights

All individuals have the right under the law not to be dismissed or refused employment because they are, are not or will not become trade union members. They also have the right not to be refused any of the services of an employment agency because they are, or are not, members of a union. Individuals who believe that they have been dismissed or refused employment on grounds related to their union membership or non-membership may complain to an industrial tribunal. Other members' rights include:

- a statutory remedy if unjustifiably disciplined by their union;
- the right to inspect their union's accounting records; and
- the right to have automatic deduction of their union subscription from their pay stopped if they leave the union.

An independent Commissioner for the Rights of Trade Union Members can provide assistance to help ensure that members need not be disadvantaged in bringing legal proceedings against their union to enforce certain rights and duties.

Political Funds

A trade union may establish a political fund if

it wishes to use its money for what the law defines as 'political objects'. If a union wishes to set up a political fund, its members must first agree in a secret ballot a resolution adopting those political objectives as an aim of the union. The union must also ballot its members every ten years to maintain the fund. Union members have a statutory right to opt out of contributing to a political fund.

Government Proposals

Following consultation on proposals contained in the Green Paper *Industrial Relations in the 1990s*, published in July 1991, the Government has announced its intention to make further reforms of the law. These reforms would include:

- giving individuals greater freedom to belong to the trade union of their choice;
- protecting union members against abuse of the arrangements for deducting union subscriptions from pay;
- providing union members with more information about their union's financial affairs; and
- creating a right for anyone deprived of goods and services because of the unlawful organisation of industrial action to bring court proceedings to stop it occurring.

Employers' Organisations

Many employers in Britain are members of employers' organisations, some of which are wholly concerned with labour matters, although others are also concerned with commercial matters or trade associations. The primary aims of such organisations are:

- to help to establish suitable terms and conditions of employment;
- to promote good relations with employees and the efficient use of manpower; and
- to provide means of settling any disputes which may arise.

Combined employers' organisations and trade associations may also represent members' points of view on commercial matters as manufacturers or traders.

Employers' organisations are usually established on an industry basis rather than a product basis, for example, the Engineering Employers' Federation. A few are purely local in character or deal with a section of an industry or, for example, with small businesses; most are national and are concerned with the whole of an industry. In some of the main industries there are local or regional organisations combined into national federations. In others, within which different firms are engaged in making different principal products, there is a complex structure with national and regional federations for parts of an industry as well as for the industry as a whole. At the end of 1991, 131 listed and 146 unlisted employers' associations were known to the Certification Officer. Those which are national organisations negotiate the national collective agreements for their industry with the trade unions concerned; most of these national organisations belong to the Confederation of British Industry.

Confederation of British Industry

The Confederation of British Industry (CBI) is the largest employers' organisation in Britain, representing directly or indirectly some 250,000 businesses, which together employ about half the working population. It aims primarily to ensure that Government, national and international institutions and the public understand the needs, intentions and problems of business. Membership ranges from the smallest to the largest companies, private sector and nationalised, and covers a broad spectrum which includes manufacturing, agriculture, construction, distribution, mining, finance, retailing and insurance. Most national employers' organisations, trade associations and some chambers of commerce are members. Policy is determined by a council of 400 members, and there is a permanent staff of 295; there are 13 regional offices and an office in Brussels. The CBI is the British member of the Union of Industries of the European Community.

Terms and Conditions of Employment

Basic rates of pay vary widely, and in private

industry rates are frequently determined locally, with less importance attached to national agreements. Higher rates are usually paid for overtime and shift work, and weekly earnings may be further increased by incentive bonus schemes or other performance-related arrangements.

Earnings

According to the Department of Employment's New Earnings Survey, the average weekly earnings, unaffected by absence and including overtime payments, in April 1992 of full-time employees on adult rates were £305. Earnings were higher for non-manual employees (£335) than for manual employees (£251). Some 48 per cent of manual employees and 18 per cent of non-manual employees received overtime payments. In the year to April 1992 the underlying average increase in earnings was about 7 per cent.

Remuneration in commercial, technical and professional careers is normally by annual salary paid monthly, often on a scale carrying annual increments. Many of the top posts in leading commercial and industrial companies carry salaries which are performance-related. It is thought that the majority are between £100,000 and £300,000 a year before tax, reflecting increasing competition for top management. Senior management salaries are generally in the range £40,000 to £100,000 a year, while middle management salaries typically fall between £20,000 and £40,000 a year.

Since 1987 income tax relief has been available for employees receiving profit-related pay under the schemes registered by the Inland Revenue. By the end of March 1992, there were nearly 2,600 registered schemes covering some 718,000 employees.

Employee Share Schemes

The Government has taken a number of steps to encourage direct ownership by employees of shares in the businesses for which they work. The number of all-employee share schemes registered under

Finance Act legislation was 2,070 at the end of March 1992, benefiting over 2.6 million employees.

Other Benefits

Additional benefits exist in varying degrees. About half of employees in employment—some 11 million people—are covered by pension schemes provided by their employers. Many employees are also covered by occupational sick-pay schemes which are additional or complementary to the state schemes, and by schemes to provide private medical treatment. Such benefits are more usual among clerical and professional employees than among manual workers.

The provision of low-priced meals at the place of employment is usual in large firms and quite common in smaller ones, while many offices and shops which are unable to provide canteen facilities have adopted luncheon voucher schemes.

Company cars are provided for directors and employees in a wide variety of circumstances. Some 2 million people had a company car in 1991–92, and about half of these received fuel for private motoring in their cars. Other fringe benefits available include low-interest loans.

Hours of Work

The basic working week in Great Britain is in the range 37.5 to 40 hours for manual work and 35 to 38 for non-manual work; a five-day week is usually worked. While the basic working week has been gradually shortening, the general trend in total hours worked has been rising since 1981. In April 1992 total hours a week actually worked (including overtime) for full-time adult employees were 41.4 for men, compared with 37.3 for women. Men and women in non-manual occupations generally work less overtime than manual employees.

In general, there are no limits on hours worked by adults except in a few occupations (such as for drivers of goods vehicles and public service vehicles). Restrictions on working hours for women

and for school-leavers aged under 18 were repealed by the Sex Discrimination Act 1986 and the Employment Act 1989.

Holidays with Pay

There are no general statutory entitlements to holidays, and holiday entitlements are frequently determined by collective agreements. These generally provide for at least four weeks' paid holiday a year, and nearly all manual employees covered by national collective agreements have entitlements of four weeks or more, with about 30 per cent having five weeks or more. Non-manual workers tend to have longer holidays than manual workers. Holiday entitlements may also be dependent upon length of service.

Office of Manpower Economics

The Office of Manpower Economics is an independent non-statutory organisation responsible for servicing independent review bodies which advise on the pay of various public-sector groups. These are:

- the Top Salaries Review Body;
- the Armed Forces' Pay Review Body;
- the Doctors' and Dentists' Review Body;
- the Review Body for Nurses and other National Health Service professions; and
- the Review Body on School Teachers' Pay.

The Office also provides services for the Pharmacists' Review Panel, the Police Negotiating Board and the Civil Service Arbitration Tribunal. It is responsible for research into pay and associated matters as requested by the Government.

Wages Councils

Wages councils fix statutory minimum pay for 2.5 million workers aged 21 and over, primarily in service industries such as retailing, catering and hairdressing. There are 26 such councils in Great Britain, each consisting of equal numbers of representatives

of employers and employees in the industry concerned, and up to five independent members. Councils are empowered to fix a minimum hourly rate, an overtime rate and a limit on the amount an employer can charge for accommodation provided. However, the Government is concerned about the continued relevance of the system, and is keeping it under review. In Northern Ireland there are nine wages councils, which fix statutory minimum pay for some 34,000 workers.

Employment Rights

Employment protection legislation provides a number of safeguards for employees. For example, most employees are entitled to receive from their employers written information on their main terms and conditions of employment, while minimum periods of notice when employment is to be terminated are laid down for both employers and employees. Employees with the necessary period of continuous employment with their employer (currently two years for those working 16 hours a week or more) are entitled to lump-sum redundancy payments if their jobs cease to exist (for example, because of technological improvements or a fall in demand) and their employers cannot offer suitable alternative work. Where employers are insolvent, the cost is partly met from the National Insurance fund, and direct payments are made by the Department of Employment.

Most employees who believe they have been unfairly dismissed have the right to complain to an industrial tribunal, again provided they have the necessary qualifying period of employment. If the complaint is upheld, the tribunal may make an order for reinstatement or award compensation.

Most pregnant women who have the necessary qualifying period of continuous employment have the right to return to their former job, or a suitable alternative, after maternity absence. Legislation forbids any employment of children under 13 years of age, and employment in any industrial undertaking of children who have not reached the statutory minimum school-leaving age, with some exceptions for family undertakings.

Equal Opportunities

The Race Relations Act 1976 makes it generally unlawful to discriminate on grounds of colour, race, nationality (including citizenship) or ethnic or national origin, in employment, training and related matters. The Department of Employment operates a nationwide Race Relations Employment Advisory Service. Its objective is to promote the Government's policies aimed at eliminating racial discrimination in employment and promoting fair treatment and equality of opportunity in employment. Advisers provide employers with advice and practical help in developing and implementing effective equal opportunity strategies.

The Sex Discrimination Act 1975, as amended, makes it generally unlawful in Great Britain to discriminate on grounds of sex or being married when it comes to recruiting, training, promoting, dismissing or retiring staff. It also provides redress against victimisation and may also do so against sexual harassment. The Equal Pay Act 1970 makes it generally unlawful to discriminate between men and women in pay and other terms and conditions of employment. The Act was significantly extended in 1984 to meet European Community requirements by providing for equal pay for work of equal value. There is equivalent legislation in Northern Ireland.

Practical advice to employers and others on the best arrangements for implementing equal opportunities policies in Great Britain is given in codes of practice from the Commission for Racial Equality and from the Equal Opportunities Commission (see pp 25 and 24).

Northern Ireland

Similar legislation to that in Great Britain on equal pay and sex discrimination applies in Northern Ireland; there is at present no legislation on race relations, but this is under review. Discrimination, both direct and indirect, in employment on grounds of religious belief or political opinion is

unlawful. The Fair Employment Commission has the task of promoting equality of opportunity and investigating employment practices, with powers to issue legally enforceable directions. The Fair Employment Tribunal adjudicates on individual complaints of religious or political discrimination and enforces the Commission's directions. All but the smallest employers are required to monitor the religious composition of their workforce and periodically to review their employment practices. Where fair participation is not being enjoyed by both Protestants and Roman Catholics, the introduction of 'affirmative action' measures must be considered.

Advisory, Conciliation and Arbitration Service

The Advisory, Conciliation and Arbitration Service (ACAS) is an independent statutory body providing industrial relations services to employers, employees and trade unions. It has a general duty of promoting the improvement of industrial relations. ACAS seeks to discharge its responsibility through the voluntary co-operation of employers, employees and their representatives. Its main functions are collective conciliation, provision of arbitration and mediation facilities, advisory services for promoting the improvement of industrial relations through the joint involvement of employers and employees, and providing an information service. ACAS also conciliates in individual rights' disputes. Through its Work Research Unit, it advises on issues such as the quality of working life and the management of change.

In 1991 ACAS:

- received nearly 1,400 requests for collective conciliation, with a further 157 requests referred to arbitration, mediation or investigation;
- dealt with some 60,600 individual conciliation cases;
- made nearly 6,300 advisory visits;
- assisted with 221 joint working exercises; and
- dealt with 467,000 enquiries through its public enquiry points.

ACAS has offices in 12 towns or cities, and a total staff of nearly 600. Its budget for 1990-91 was £17.7 million.

In Northern Ireland the Labour Relations Agency, an independent statutory body, provides services similar to those provided by ACAS in Great Britain.

Central Arbitration Committee

The Central Arbitration Committee is an independent standing arbitration body. It provides boards of arbitration for the settlement of trade disputes referred to it with the consent of the parties concerned. It also adjudicates on claims made under the disclosure of information provisions of the Employment Protection Act 1975.

HEALTH AND SAFETY AT WORK

Recent statistics indicate a reduction in the rate of major and other reported injuries to employees, although a high rate of injuries remains in certain industries, such as construction and agriculture. Employers have a duty in law to take reasonable care of their staff, as well as others affected by their work activities. Employees have a duty to take care of their own safety and that of their fellow workers.

The principal legislation is the Health and Safety at Work etc. Act 1974. It places general duties on everyone concerned with work activities, including employers, the self-employed, employees, and manufacturers and suppliers of materials for use at work. Supporting Acts and regulations deal with particular hazards and types of work. Employers with five or more staff must prepare a written statement of health and safety policy and inform their staff of it.

The Act requires the Health and Safety Commission to develop workable proposals to update earlier legislation, much of which was not adaptable to technical innovation. Reforms have since been completed in many areas. Much of the old law has been replaced by modern provisions, supported as necessary by codes of practice and other guidance material.

The Control of Substances Hazardous to

Health Regulations 1988 are some of the most important regulations made under the 1974 Act. They replaced a range of outdated legislation by a comprehensive and systematic approach to the control of exposure to virtually all substances hazardous to health. These include chemicals, fumes, dust and micro-organisms.

The European Year of Safety, Health and Hygiene Protection at Work runs from 1 March 1992 to 28 February 1993. In Britain the Health and Safety Executive is concentrating on themes such as small firms, the cost of accidents and ill health, human factors, and training and education. It aims to raise the profile of health and safety. A number of initiatives have been announced, for example, on construction.

Health and Safety Commission

The Health and Safety Commission (HSC), which is accountable to Parliament through the Secretary of State for Employment, has responsibility for developing policies, including guidance, codes of practice, or proposals for regulations. In the case of proposals for changes in legislation, the HSC consults those who would be affected and makes recommendations to the Secretary of State concerned.

The HSC has seven advisory committees covering subjects such as toxic substances, genetic manipulation and the safety of nuclear installations. There are also 12 industry advisory committees, each of which deals with a specific industry, two advisory boards and one advisory council.

Health and Safety Executive

The Health and Safety Executive (HSE) is the primary instrument for carrying out the

HSC's policies and has day-to-day responsibility for enforcing health and safety law, except where other bodies, such as local authorities, are responsible. The HSE's field services and inspections over the country as a whole are carried out by the Field Operations Division. This incorporates the Factory, Agricultural and Quarries inspectorates, together with the regional staff of the Employment Medical Advisory Service (which provides advice on medical aspects of employment problems), and the Field Consulting Groups, which provide technical support to the inspectorates. The HSE also includes:

- the Health Policy Division and Medical Services headquarters;
- the Technology and Health Services Division, which provides technical advice on industrial health and safety matters; and
- the Research and Laboratory Services Division, which provides scientific and medical support and testing services, and carries out research.

In premises such as offices, shops, warehouses, restaurants and hotels, health and safety legislation is enforced by inspectors appointed by local authorities, working under guidance from the HSC. Some other official bodies work under agency agreement with the HSC.

Northern Ireland

In Northern Ireland the Health and Safety Agency, roughly corresponding to the HSC, and an Employment Medical Advisory Service were set up by the Health and Safety at Work (NI) Order 1978. The general requirements of the Northern Ireland health and safety legislation are broadly similar to those for Great Britain. They are enforced mainly by the Department of Economic Development through its Health and Safety Inspectorate.

19 Public Finance

Public finance is concerned with taxation, expenditure and borrowing or debt repayment by central and local government; management of the public sector's assets and liabilities; and the financing of public corporations.

Central government raises money from individuals and companies by direct and indirect taxation and from National Insurance contributions. It spends money on goods and services, such as health and defence, and in payments to people, for instance, social security and pensions.

Local government raises revenue mainly through the community charge, which is to be abolished and replaced by a council tax from April 1993 (see p 366), and through other taxes levied on domestic and business properties. The community charge was not introduced in Northern Ireland and domestic rates remain in operation. Local government provides services such as education, police and fire services, and refuse collection.

The diagram (see p 364) shows the relative importance of the various items of receipts, including borrowing, and expenditure for general government.

The government department responsible for broad control of public finance and expenditure is HM Treasury. The Bank of England (the central bank) advises the Government on financial matters, executes monetary policy and acts as banker to the Government.

PUBLIC EXPENDITURE

The three main definitions of public expenditure are general government expenditure, the planning total and Supply expenditure.

General Government Expenditure

General government expenditure is the

spending of central and local government, excluding transfers between them such as central government grants to local authorities. It is the key public spending aggregate and is used in the medium-term financial strategy (see p 358), where public spending is set in the context of broader economic policy. It is more appropriate than the other measures for making international comparisons as it is usually less affected by institutional differences.

Planning Total

The planning total is used by the Government for the purposes of planning and control. The Government seeks to achieve its wider medium-term objective (expressed in terms of general government expenditure) by controlling spending within this total. The planning total covers:

- expenditure for which central government is itself responsible;
- the support it provides or approves for local authority expenditure;
- the external financing requirements of public corporations, including nationalised industries;
- privatisation proceeds; and
- a reserve to cover unanticipated expenditure.

Supply Expenditure

Supply expenditure is financed out of money voted by Parliament in the Supply Estimates (see p 359). Practically all Supply expenditure counts in the planning total, and represents about three-quarters of it. The main element of the planning total not funded through Supply Estimates is expenditure financed from the National Insurance Fund.

Medium-term Financial Strategy

The background to the Government's planning of public expenditure is the medium-term financial strategy, which provides a framework for monetary and fiscal policy. The central objective of the strategy is to defeat inflation. Public expenditure (measured by general government expenditure, excluding privatisation proceeds) is expected to take a declining share of national income over time, and provide constantly improving value for money.

General government expenditure (excluding privatisation proceeds), as a proportion of gross domestic product (GDP), fell from over 47 per cent in 1982–83 to under 40 per cent in 1990–91. Since then, recession has pushed up the ratio, which is projected to peak at 43 per cent in 1992–93 before resuming a downward path. For 1992–93 taxes and social security contributions are forecast to amount to 35.5 per cent of GDP. The Government also aims to establish the conditions for sustainable economic growth; reduce taxation; and diminish the role of the State.

In July 1992 the Government endorsed a new medium-term framework for controlling public expenditure to ensure that the share of national income taken by public expenditure will fall over time. Annual ceilings are to be set for the growth of total planned public expenditure in line with the Government's medium-term objectives. For 1993–94 spending will be kept within existing plans and for the next two years the growth in cash

terms in the 'New Control Total' (which excludes unemployment-related social security spending) is to be restricted to 3 per cent in 1994–95 and 3.25 per cent in 1995–96.

This 'top-down' approach separates decisions on overall public expenditure levels from the allocation between programmes. Departmental spending decisions will be based on allocating available resources within agreed ceilings for aggregate spending; resources will be devoted to priority areas with an emphasis on obtaining maximum value for money. Together with the move to a unified budget (see p 359), the new framework represents an important reform of fiscal planning procedures.

Table 19.1 gives projections for government expenditure and receipts and the borrowing requirement for 1992–93 and 1993–94.

Planning Cycle

Each year the Government conducts a review of its spending plans for the forthcoming three years, known as the 'Public Expenditure Survey'. The plans agreed in the Survey have in recent years been announced by the Chancellor of the Exchequer in the Autumn Statement, usually in November. More detailed analyses are published in the following January or February in a Statistical Supplement and in individual departmental reports. In March or April the Chancellor presents his taxation proposals and forecast for the economy in the Budget (see p 361).

Table 19.1: Projected Public Expenditure, Receipts and Borrowing Requirement
£ thousand million

	1992–93	1993–94
General government expenditure	258	280
<i>of which:</i> public expenditure planning total	227	24
General government receipts	230	247
<i>of which:</i> taxes	181	195
social security contributions	39	42
Public sector borrowing requirement (PSBR)	28	32
PSBR as percentage of GDP	4.5	4.75

Source: *Financial Statement and Budget Report 1992–93*.

FISHERIES



Peterhead, Scotland, is one of the main ports from which the British fishing fleets operate. At the end of 1991 the British fleet consisted of 10,871 registered vessels, including 424 deep-sea vessels longer than 24.4m (80 feet).



Wholesalers buying fish at the dock in Grimsby, Humberside.

TRANSPORT



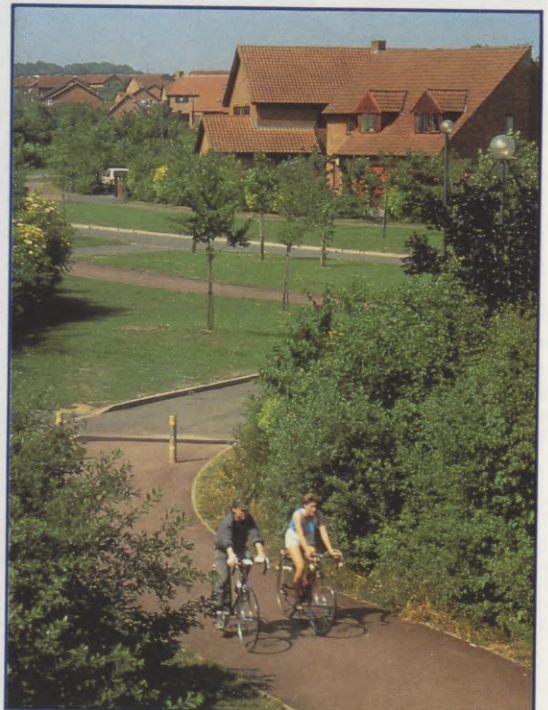
A new vessel traffic management system has been installed at Dover, the world's busiest passenger port. The consoles display information on all radar contacts from large ferries to windsurfers, so that accurate information can be passed to mariners and shore-based personnel.

The first of Manchester's 'supertrams' began operating in April 1992 on the line to Bury. The initial stage of the Manchester Metrolink project will cover some 31 km (19 miles).





British Rail's new InterCity 225 trains have been introduced on the recently electrified London-Edinburgh east coast main line. The InterCity 225, seen on the right of this picture, is designed to travel at speeds of 225 km/h.



Cyclists and pedestrians in Milton Keynes, Buckinghamshire, benefit from a network of 'redways', paths well separated from the road system, and from which cars are banned.

OLYMPICS

Britain won gold medals in five events at the 1992 Olympics in Barcelona – two in athletics, two in rowing and one in cycling.



Sally Gunnell won a gold medal in the 400 metres hurdles and a bronze in the 4 × 400 metres relay.



Chris Boardman won the 4,000 metres individual pursuit gold medal on an advanced Lotus-designed bicycle.



In the coxed pairs event the gold medallists were Gregory and Jonathan Searle, and cox Garry Herbert.

Revenue and expenditure are brought together in the Financial Statement and Budget Report issued on the day of the Budget.

In the 1992 Budget, the Chancellor announced that from December 1993 the Government would present taxation and spending proposals to Parliament at the same time. The Budget would, therefore, cover both the Government's taxation plans for the coming financial year and its spending plans for the next three years. As now, it would also give a review of recent developments in the economy, an economic forecast and a statement of the Government's medium-term financial strategy (see p 358). The Government would publish a second short-term economic forecast in the summer. A December Budget would allow the spending proposals to be considered alongside the taxation proposals to pay for them. The Finance Bill, with details of the taxation changes, would be published in January for parliamentary consideration.

Public Expenditure Totals

Public expenditure totals are analysed in Table 19.2. The largest departmental programmes are those of the Department of Social Security (39 per cent of central government expenditure in 1991-92), the Department of Health (16 per cent) and the Ministry of Defence (15 per cent).

About half of local authority spending is financed by grants from central government. The rest is met from the community charge (replaced by the council tax from April 1993) and business rates, surpluses on trading, rents and borrowing. Education accounts for about two-fifths of local authority spending; law and order, housing and other environmental services, personal social services, social security and roads and transport take up most of the remainder.

Reserve

Planned expenditure includes an unallocated reserve to cover additions to departmental spending, whether arising from policy changes, new initiatives or revisions to the estimated costs of demand-led programmes. For the current year, the reserve is used as a control mechanism.

Estimates

The annual Public Expenditure Survey conducted by HM Treasury provides the basis for the Estimates which each government department submits to the Treasury, giving details of its cash requirements for the coming financial year. After Treasury approval, these Supply Estimates are presented to Parliament. Parliamentary authorisation is required for the major part of the new spending plans

Table 19.2: Planned Public Expenditure Totals

	£ thousand million	
	1992-93	1993-94
Central government expenditure	168.7	178.1
Central government support for local authorities	58.5	61.1
Financing requirements of nationalised industries	3.4	2.9
Privatisation proceeds	-8.0	-5.5
Reserve	4.0	8.0
Planning total	226.6	244.5
Local authority self-financed expenditure	9.5	10.0
Central government debt interest	17.6	19.5
Other adjustments	4.7	5.5
General government expenditure	258.5	280.0

Source: *Financial Statement and Budget Report 1992-93*.

Note: Differences between totals and the sums of their component parts are due to rounding.

for the year ahead announced in the Budget. Parliament approves them as part of the Annual Appropriation Act; expenditure between 1 April and this date is covered by Votes on Account approved before the start of the financial year. Supplementary Estimates may also be presented to Parliament during the course of the year.

If any Supply Estimate is overspent, the Committee of Public Accounts (see below) may investigate before Parliament is asked to approve any Excess Vote to balance the account. In each parliamentary session, up to three 'Estimates days' are available for debates on the Supply Estimates, following scrutiny by select committees of the House of Commons.

Cash Limits

The Government sets cash limits on 62 per cent of Supply expenditure. The imposition of cash limits indicates that the Government intends to avoid extra provision for programmes even in the event of unexpected increases in costs. It is government policy to extend the coverage of cash limits whenever possible. They cover the major part of grants to local authorities, which are financed out of Supply expenditure. Cash limits also apply to some expenditure not voted in the Estimates.

Running cost limits are imposed on the administrative costs of central government, which are separately identified in the Estimates.

There is a limited facility for carrying forward underspending on the capital components of cash limits and on running cost limits. Any overspending of cash or running cost limits leads to an investigation into the causes and, where appropriate, a reduction in the limits in the following year.

Those Estimates not subject to cash limits mainly finance demand-led services like income support from the Department of Social Security. In such cases, once policy and rates of payment are determined, expenditure depends on factors beyond the direct control of government, such as the number of eligible recipients.

Examination and Audit of Public Expenditure

Examination of public expenditure is carried out by select committees of the House of Commons. These study in detail the activities of particular government departments and require the attendance of ministers and officials for cross-examination. Audit of the Government's spending, which follows up the control inherent in parliamentary approval of the Estimates, is exercised through the functions of the Comptroller and Auditor General.

Comptroller and Auditor General

The Comptroller and Auditor General, an officer of the House of Commons appointed by the Crown, has two distinct functions. As Comptroller General he or she is responsible for ensuring that all revenue and other public money payable to the Consolidated Fund and the National Loans Fund (see p 361) is duly paid and that all payments from these funds are authorised by statute. As Auditor General he or she must certify the accounts of all government departments and executive agencies and those of a wide range of other public sector bodies; scrutinise the economy, efficiency and effectiveness of their operations; examine revenue accounts and inventories; and report the results of these examinations to Parliament.

Committee of Public Accounts

The Committee of Public Accounts considers the accounts of government departments and other public sector bodies; the Comptroller and Auditor General's reports on them; and on departments' use of their resources. The Committee takes evidence from the heads of departments and relevant public sector bodies and submits reports to Parliament. The Government's formal replies to the reports are presented to Parliament by the Treasury in the form of Treasury minutes, and the reports and minutes are usually debated annually in the Commons.

Central Government Funds

The Government's sterling expenditure is largely met out of the Consolidated Fund, an account at the Bank of England into which tax receipts and other revenues are paid. Any excess of expenditure over receipts is met by the National Loans Fund, which is another official sterling account at the Bank of England and is the repository for funds borrowed by the Government. The National Insurance Fund, into which contributions are paid by employers and employed people, is used mainly to pay for social security benefits.

THE BUDGET

The Budget sets out the Government's proposals for changes in taxation and is the main occasion for an annual review of economic policy (see p 217). The proposals are announced to the House of Commons by the Chancellor of the Exchequer in the Budget statement and are published in the Financial Statement and Budget Report. This report also contains a review of recent developments in the economy, together with an economic forecast, and sets out the fiscal and monetary framework within which economic policy operates. This is the medium-term financial strategy (see p 358).

The Budget statement is followed by the moving of a set of Budget resolutions in which the proposals are embodied. These resolutions are the foundation of the Finance Bill, in which the proposals are set out for detailed consideration by Parliament. The Provisional Collection of Taxes Act 1968 allows the Revenue authorities to collect taxes provisionally, at the levels provided by the Budget proposals, pending enactment of the Finance Bill.

For two taxes—income tax and corporation tax—annual Ways and Means resolutions followed by Finance Bill clauses are required to maintain their existence, since they are annual rather than permanent taxes. Tax changes can be made at other times, either by specific legislation or by the use of the regulator, which permits limited changes

between Budgets in the rates of value added tax (by up to 25 per cent) and of the main excise duties (by up to 10 per cent).

MAIN SOURCES OF REVENUE

The main sources of revenue are:

- taxes on income (including profits), which include personal income tax, corporation tax and petroleum revenue tax;
- inheritance tax and capital gains tax; and
- taxes on expenditure, which include value added tax (VAT) and customs and excise duties.

Other sources of revenue are vehicle excise duty; National Insurance contributions, which give entitlement to a range of benefits; and the community charge and business rates.

The personal income tax allowances, basic rate limit, capital gains tax annual exempt amount and inheritance tax threshold are statutorily linked to the increase in the Retail Prices Index (RPI), unless Parliament decides otherwise. The Inland Revenue assesses and collects the taxes on income, profits and capital, and also stamp duty (see p 365). Taxes on individual incomes are progressive in that larger incomes bear a proportionately greater amount of tax. HM Customs and Excise collects the most important taxes on expenditure (VAT, most duties and car tax). Vehicle excise duty is the responsibility of the Department of Transport and National Insurance contributions that of the Department of Social Security (although the latter are generally collected by the Inland Revenue). The community charge and business rates are collected by local authorities.

Taxpayer's Charter

The Taxpayer's Charter was launched in 1991, one of the first separate charters issued following the publication of the Citizen's Charter (see p 50). It sets out the standard of service that people can expect from the Inland Revenue and Customs and Excise. Both departments should be fair, helpful, courteous, efficient and accountable, and keep taxpayers' financial affairs private.

Taxes on Income

Income Tax

Income tax is imposed for the year of assessment beginning on 6 April. In the 1992 Budget a new lower rate of 20 per cent was introduced for the first £2,000 of taxable income. The basic rate of 25 per cent applies to the next £21,700 of taxable income. A rate of 40 per cent is levied on income above £23,700. These rates apply to total income, including both earned and investment income.

A number of allowances and reliefs reduce the amount of a person's taxable income compared with gross income. All taxpayers, irrespective of sex or marital status, are entitled to a personal allowance against income from all sources. Married women pay their own tax on the basis of their own income. In addition, there is a married couple's allowance which, until April 1993, goes to the husband in the first instance. From April 1993 married couples will be able to choose to allocate the married couple's allowance to the wife instead of the husband or receive half each. Wives will be entitled to claim half of the allowance as of right. For 1992-93, the values of the main allowances are £3,445 for the personal allowance and £1,720 for the married couple's allowance.

Among the most important of the reliefs is that for mortgage interest payments on borrowing for house purchase up to the statutory limit of £30,000. Relief is restricted to the basic rate and is usually given 'at source', that is, repayments which the borrower makes to the lender are reduced to take account of tax at the basic rate and the tax refund is then passed directly by the tax authorities to the building society or bank making the loan rather than to the individual taxpayer.

Employees' contributions to their pension schemes also qualify for tax relief within limits laid down by Parliament.

Most wage and salary earners pay their income tax under a Pay-As-You-Earn (PAYE) system whereby tax is deducted and accounted for to the Inland Revenue by the employer, in a way which enables employees to keep as up to date as possible with their tax payments.

In general, income tax is charged on all income which originates in Britain—although some forms of income are exempt, such as certain social security benefits—and on all income arising abroad of people resident in Britain. Interest on certain British government securities belonging to people not ordinarily resident in Britain is exempt. Britain has entered into agreements with many countries to provide relief from double taxation; where such agreements are not in force unilateral relief is often allowed. British residents working abroad for the whole year benefit from 100 per cent tax relief.

Corporation Tax

The rates of company tax in Britain are lower than in most other industrialised countries. Companies pay corporation tax on their income after deduction of certain allowances and any capital gains. A company which distributes profits to its shareholders is required to make an advance payment of corporation tax to the Inland Revenue. In general, this payment is set against a company's liability to corporation tax on its income and capital gains. If resident in Britain, the recipient of the distribution is entitled to a tax credit, which satisfies his or her liability to income tax at the basic rate.

The main rate of corporation tax is 33 per cent for 1992-93, with a reduced rate of 25 per cent for small companies (those with profits below £250,000 in a year). Marginal relief between the main rate and the small companies' rate is allowed for companies with profits between £250,000 and £1.25 million. Expenditure on plant and machinery, on scientific research and on industrial and certain other buildings qualifies for annual allowances.

Petroleum Revenue Tax

Petroleum revenue tax, deductible in computing profits for corporation tax, is charged on profits from the production, as opposed, for example, to the refining, of oil and gas under licence in Britain and on its Continental Shelf. The rate of tax is 75 per cent. Each licensee of an oilfield is charged

on the profits from that field after deduction of certain allowances and reliefs which, among other things, encourage exploration, appraisal and future field development. There is no distinction between capital and revenue expenditure: both receive 100 per cent relief. The tax is computed at half-yearly intervals and the bulk of it is collected in monthly instalments.

Inheritance Tax

Inheritance tax applies to transfers of property made on, or up to seven years before, the donor's death. It is also immediately chargeable on certain lifetime transfers. The 1992 Budget exempted the majority of business assets from inheritance tax, so that most family businesses can be passed on without a tax charge. The threshold for inheritance tax is £150,000, above which transfers are taxed at a single rate of 40 per cent. A tapered system of relief reduces the tax on transfers made between three and seven years before the donor's death. Relief ranges from 20 per cent of the tax payable on transfers made between three and four years prior to death to 80 per cent on those made between six and seven years prior to death.

There are several other important exemptions. Generally, transfers between spouses are exempt, and gifts and bequests to British charities, major political parties and heritage bodies are also normally exempt.

Capital Gains Tax

Capital gains realised on the disposal of assets are liable to capital gains tax or, in the case of companies, to corporation tax. For 1992–93, individuals are exempt from tax in respect of total net gains of up to £5,800 in any one year and most trusts on gains of up to £2,900. Gains are treated as the taxpayer's top slice of income, being charged at the individual's highest income tax rate or the company's higher corporation tax rate.

Only gains arising since March 1982 are subject to tax and the effects of inflation are allowed for when measuring gains. The tax on certain gifts may be deferred until the

assets are sold. Some assets are normally exempt, including the principal private residence; movable possessions worth less than £6,000 and any movable possessions with a predictable life of less than 50 years except those on which the expenditure qualifies for a capital allowance; private motor cars; and National Savings Certificates and Bonds. Gains on government securities and certain corporate bonds are exempt from the tax, as are gains on shares owned under personal equity plans. This last exemption is designed to encourage wider share ownership.

Taxes on Expenditure

Value Added Tax

Value added tax (VAT) is a broadly based expenditure tax, chargeable at 17.5 per cent. It is collected at each stage in the production and distribution of goods and services by taxable persons—generally those whose business has a turnover of more than £36,000 a year. The final tax is borne by the consumer. When a taxable person purchases taxable goods or services, the supplier charges VAT—the taxable person's input tax. When the taxable person supplies goods or services, the customers are then in turn charged VAT, which is the taxable person's output tax. The difference between the output tax and the input tax is paid to, or repaid by, Customs and Excise.

Certain goods and services are relieved from VAT, either by charging at a zero rate, in which case a taxable person does not charge tax to a customer but reclaims any input tax paid to suppliers, or by exemption, in which case a taxable person does not charge a customer any output tax and is not entitled to deduct or reclaim the input tax. Zero-rating applies to goods exported to non-European Community countries, goods despatched or transported to traders in Community countries, new means of transport, and goods shipped as stores on ships and aircraft; most food; books, newspapers and periodicals; some fuel and power for domestic consumption; construction of new residential buildings; works to certain historic buildings;

Planned Receipts and Expenditure of General Government 1992-93

Pence in every pound

Receipts		Expenditure	
		9	Defence
Income tax	26	1	Foreign and Commonwealth Office
		1	Agriculture, Fisheries and Food
		1	Trade and Industry
Corporation tax	7	1	Employment
		3	Transport
Capital gains tax	1	3	Environment – housing
Inheritance tax	1	1	Environment – other environmental services
		12	Environment – local government
Value added tax	17	3	Home Office and legal departments
		3	Education and Science
Community charge and local authority rates	10	11	Health and OPCS
Duties on petrol, alcoholic drinks and tobacco	10	26	Social Security
Social security receipts	17	2	Scotland
		1	Wales
		3	Northern Ireland
Interest and dividends	2	2	Chancellor of the Exchequer's departments
		3	Other departments and European Community
Gross trading surpluses and rent	2	4	Local authority self-financed expenditure
Other duties, taxes, levies and royalties	4	2	Reserve
Other receipts	2	7	Central government debt interest
General government borrowing	12	2	Accounting adjustments
		-3	Privatisation proceeds
Total	100	100	Total
Cash totals £258,500 million			

Sources: *Financial Statement and Budget Report 1992-93* and *Autumn Statement 1991*.

Note: Differences between totals and the sum of their component parts are due to rounding.

international services; certain passenger transport; supplies of certain caravans and houseboats; young children's clothing and footwear; drugs and medicines supplied on prescription; specified aids for handicapped people; and certain supplies by or to charities. Exemption applies to many supplies of land and buildings, although some are standard-rated; insurance; postal services; betting; gaming (subject to certain important exceptions); lotteries; finance; much education and training; health and welfare; charitable 'one-off' fundraising events; burial and cremation; and many supplies by trade unions and professional bodies to their members.

VAT is not charged where an employee is offered a reduction in salary in return for the use of a company car for private motoring. Private taxi and self-drive hire firms and driving schools can recover the VAT they pay on cars purchased for their businesses.

A provisional European Community agreement establishes a Community-wide minimum standard rate of VAT of 15 per cent for four years from January 1993.

Customs Duties

Customs duties are chargeable on goods from outside the EC in accordance with the EC's Common Customs Tariff. The introduction of the single European market from 1 January 1993 means that goods can move freely across internal frontiers between different member states, without making customs entries at importation or stopping for routine fiscal checks. For commercial consignments, excise duty is charged in the member state of destination, at the rate in force in that state.

Excise Duties

Hydrocarbon oils used as road fuel bear higher rates of duty than those used for other purposes, although the rate of duty on unleaded petrol is lower than that on leaded. Kerosene, most lubricating oils and other oils used for certain industrial processes are free of duty. There are duties on spirits,

beer, wine, made-wine, cider and perry, based on alcoholic strength and volume. Spirits used for scientific, medical, research and industrial processes are generally free of duty. Cigarette duty is based partly on a cash charge per 1,000 cigarettes and partly on a percentage of retail price. Duty on other tobacco products is based on weight. Duties are charged on off-course betting, pool betting, gaming in casinos, bingo and gaming machines. Rates vary with the particular form of gambling. Duty is charged either as a percentage of gross or net stakes or, in the case of gaming machines, as a fixed amount per machine according to the cost of playing it and its prize level.

Vehicle excise duty on a privately owned motor car, light van or taxi with less than nine seats is £110 a year; for motor cycles it is £15, £30 or £50 a year according to engine capacity. The duty on goods vehicles is levied on the basis of gross weight and, if over 12 tonnes, according to the number of axles; the duty is designed to ensure that such vehicles cover their road costs through the tax paid (licence duty and fuel duty). Duty on taxis and buses varies according to seating capacity.

Car Tax

Cars, motor cycles, scooters, mopeds and motor caravans, whether British made, brought to Britain from another EC country or imported from a non-EC country, are chargeable with car tax. The current rate is 5 per cent and is calculated on the wholesale value of the vehicle, except in the case of motor caravans, where the tax is applied to 60 per cent of the wholesale value.

Stamp Duty

Certain kinds of transfer are subject to stamp duty. These include purchases of houses, at 1 per cent on the total price if this exceeds £30,000, and instruments such as declarations of trust. The Government has plans to abolish stamp duty on shares. Transfers by gift and transfers to charities are exempt.

OTHER REVENUE

National Insurance Contributions

There are four classes of National Insurance contribution:

- Class 1—paid by employees and their employers;
- Class 2—paid by the self-employed;
- Class 3—paid voluntarily for pension purposes; and
- Class 4—paid by the self-employed on their taxable profits over a set lower limit, currently £6,120 a year, and up to a set upper limit, currently £21,060 a year (in addition to their Class 2 contribution).

Employees with earnings below £54 a week do not pay Class 1 contributions. Contributions on earnings of £54 a week and over are at the rate of 2 per cent of the first £54 of total earnings and 9 per cent of the balance, up to the upper earnings limit of £405 a week. Employers' contributions are subject to the same threshold. On earnings above the threshold, contributions rise in stages from 4.6 per cent of total earnings up to a maximum of 10.4 per cent when earnings are £190 or more a week; there is no upper earnings limit.

Class 2 and Class 3 contributions are at a flat rate—£5.35 and £5.25 a week respectively. The self-employed may claim exemption from payment of Class 2 contributions if their profits are expected to be below £3,030 for the 1992–93 tax year.

Class 4 contributions are payable at the rate of 6.3 per cent.

Local Authority Revenue

A major source of local authority revenue in Great Britain (but not Northern Ireland) is the community charge. This is set at a level reflecting spending decisions reached by a council, for which it has to account to its electors. However, the community charge is to be abolished and replaced by a council tax with effect from 1 April 1993.

In Northern Ireland, the rates—local property taxes—have been retained. Domestic rates were collected by local authorities

throughout Britain prior to the introduction of the community charge.

The council tax, like the community charge, will be collected by the local authorities. It will be based on the market value of property and will take account of the number of adults in each household, with discounts available for single adult and certain other households. Properties will be allocated to one of eight broad valuation bands and associated tax rates will be established for England and Wales. Similar provisions will apply in Scotland.

In England and Wales the national non-domestic rate is set by central government and collected by local authorities. It is paid into a national pool and redistributed to local authorities. In Scotland non-domestic rates are levied by local authorities. In Northern Ireland industrial premises are fully derated, as are commercial premises in enterprise zones. Certain other properties in Northern Ireland, such as freight transport and recreational premises, are partially derated.

FINANCIAL CONTROL

Balancing the budget over the medium-term remains the objective of fiscal policy. Between 1987–88 and 1990–91 the public sector was in surplus, so that the Government repaid debt. The onset of recession in 1990 led to an increased level of public borrowing. Following a Public Sector Borrowing Requirement (PSBR) of about £14,000 million—2.25 per cent of GDP—in 1991–92, the PSBR for 1992–93 is expected to increase to about £28,000 million, 4.5 per cent of GDP. The Government is confident that, as the economy recovers, the PSBR will move back towards balance and the debt burden will resume its downward trend. It aims to finance the PSBR so as to support monetary policy while having the least possible effect on private sector liquidity.

The major government debt instrument is known as gilt-edged stock as there is no risk

of default. Gilt-edged stock is marketable and is widely traded. Individuals may also make transactions through post offices in stocks included on the National Savings Stock Register. Pension funds and life insurance companies have the largest holdings. On behalf of the Government, the Bank of England issues both conventional and indexed stock (on which principal and interest are linked to the movement in the Retail Prices Index). Issues are mostly by auction or fixed price 'tap' sales.

An important additional source of government finance is the range of National Savings products, which are non-marketable and are designed to attract personal savings. The chief products (see p 263) are Income Bonds, National Savings Certificates (which may be index-linked), the Investment Account, Capital Bonds and a Children's Bonus Bond. A new product—the First Option Bond, designed to appeal to taxpayers—was launched in July 1992.

Other central government debt instruments are Treasury bills and certificates of tax deposit. Sterling Treasury bills are sold at a weekly tender; the majority have a maturity of three months. The Government has also issued bills denominated and payable in European Currency Units (ECUs) since 1988 and longer-dated ECU notes since January 1992. The proceeds have been added to the official foreign exchange reserves as opposed to being used to finance public expenditure.

The bulk of public corporations' borrowing is funded by central government, although their temporary borrowing needs are

met largely from the market, usually under Treasury guarantee. That part of local authority borrowing met by central government is supplied by authorisation of Parliament through the Public Works Loan Board from the National Loans Fund. The Board remains an independent body even though it is merged for administrative purposes with the former National Debt Office, forming the National Investment and Loans Office. Local authorities may also borrow directly from the market, both short-term and long-term, through a range of instruments. Some public corporations and local authorities borrow on occasion, under special statutory power and with Treasury consent, in foreign currencies.

Net Public Sector Debt

Public sector borrowing, or debt repayment, each year represents an addition to, or subtraction from, the net debt of the public sector. This debt is the consolidated debt of the public sector less its holdings of liquid assets. At the end of March 1991 consolidated debt amounted to £194,000 million. Central government accounted for nearly 97 per cent, local authorities for almost 3 per cent and public corporations for under 0.5 per cent. With consolidated liquid assets amounting to £40,000 million, net public sector debt was £154,000 million. Central government accounted for nearly 79 per cent of consolidated liquid assets, local authorities for 18 per cent and public corporations for about 3 per cent.

20 Overseas Trade

Overseas trade has been of vital importance to the British economy for hundreds of years, and especially since the mid-nineteenth century, when the rapid growth of industry, commerce and shipping was accompanied by Britain's development as an international trading centre. Although small in area and accounting for only about 1 per cent of the world's population, Britain is the fifth largest trading nation in the world, and, as a member of the European Community, part of the world's largest trading bloc, accounting for about a third of all trade.

Exports of goods and services in 1991 were equivalent to about a quarter of gross domestic product (GDP). Britain is a major supplier of machinery, aerospace products, electrical and electronic equipment and chemicals, and a significant oil exporter. It relies upon imports for about a third of total consumption of foodstuffs, and for many of the basic materials needed for its industries.

VISIBLE TRADE

In 1991 Britain's exports of goods were valued at about £103,700 million and its imports of goods at £113,800 million on a balance-of-payments basis (see Table 20.1). Between 1990 and 1991 the volume of exports rose by 1.7 per cent and the value of exports by 1.6 per cent. Over the same period imports declined by 2.7 per cent in terms of volume, and by 5.7 per cent in total value.

Commodity Composition

Britain has traditionally been an exporter of manufactured goods and an importer of food and basic materials. In 1970 manufactures accounted for 85 per cent of Britain's exports. The proportion fell in the early 1980s—to around 67 per cent by the middle of the decade—as North Sea oil exports increased their share. The proportion of

Table 20.1: Visible Trade 1988–91 (balance-of-payments basis)

	1988	1989	1990	1991
Value (£ million)				
Exports f.o.b. ^a	80,346	92,389	102,036	103,704
Imports f.o.b. ^a	101,970	116,987	120,653	113,823
Volume index (1985 = 100)				
Exports	111.6	116.9	124.9	127.0
Imports	130.3	140.6	142.3	138.4
Unit value index (1985 = 100)				
Exports	93.4	100.8	106.2	106.4
Imports	97.0	104.2	108.1	108.6
Terms of trade (1985 = 100)^b	96.3	96.7	98.2	99.2

Source: *Monthly Review of External Trade Statistics*.

^a f.o.b. = free on board, that is, all costs accruing up to the time of placing the goods on board the exporting vessel having been paid by the seller.

^b Export unit value index as a percentage of import unit value index.

manufactures in exports has since risen, to 82 per cent in 1991. The share of finished manufactures in total imports rose from 25 per cent in 1970 to 51 per cent in 1991. Britain has not had a surplus on manufactures since 1982. Machinery and transport equipment account for over a third of exports and a similar proportion of imports. Export sectors that have declined in relative importance include textiles and vehicles. Textiles accounted for 5 per cent of total exports in 1970 but only 2 per cent in 1991; the corresponding figures for vehicles were 11 and 8 per cent.

Since the mid-1970s North Sea oil has made a significant contribution to Britain's overseas trade both in terms of exports and import substitution. Between 1975 and 1991 the share of fuels in exports changed from 4

to 7 per cent and in imports from 18 to 6 per cent. North Sea oil production has now passed its peak of the mid-1980s, when exports of fuels accounted for over 20 per cent of total exports. In 1991 the surplus on trade in oil amounted to about £1,200 million.

Since the early 1960s Britain's imports of semi-manufactures have exceeded those of basic materials; they are now more than six times as high. This reflects the increasing tendency for producing countries to carry out the processing of primary products up to the semi-finished or finished stage. Imported manufactures have also taken a greater share of the domestic market. The share of basic materials in total imports has fallen from 15 per cent in 1970 to 4 per cent in 1991. The share of food, beverages and tobacco in total

Table 20.2: Commodity Composition of Visible Trade 1991^a

	Exports (f.o.b.)		Imports (c.i.f.) ^b	
	£ million	per cent	£ million	per cent
Non-manufactures	16,906	16.1	24,975	21.0
Food, beverages and tobacco	7,749	7.4	12,326	10.4
Basic materials	2,013	1.9	5,065	4.3
Fuels	7,144	6.8	7,582	6.4
Manufactures	86,058	82.1	92,103	77.5
Semi-manufactures	29,358	28.0	31,494	26.5
of which: Chemicals	13,784	13.2	10,973	9.2
Textiles	2,348	2.2	3,739	3.1
Iron and steel	3,013	2.9	2,632	2.2
Non-ferrous metals	1,974	1.9	2,556	2.1
Metal manufactures	2,184	2.1	2,524	2.1
Other	6,055	5.8	9,070	7.6
Finished manufactures	56,701	54.0	60,609	51.0
of which: Machinery	29,577	28.2	29,432	24.8
Road vehicles	8,555	8.2	10,217	8.6
Clothing and footwear	2,234	2.1	5,296	4.5
Scientific instruments and photographic apparatus	4,263	4.1	4,088	3.4
Other	12,072	11.5	11,576	9.7
Miscellaneous	1,850	1.8	1,791	1.4
Total	104,816	100.0	118,867	100.0

Source: *Monthly Review of External Trade Statistics*.

^a On an overseas trade statistics basis. This differs from a balance-of-payments basis because, for imports, it includes the cost of insurance and freight and, for both exports and imports, includes returned goods.

^b c.i.f. = cost, insurance and freight, that is, including shipping, insurance and other expenses incurred in the delivery of goods as far as their place of importation in Britain.

Note: Differences between totals and the sums of their component parts are due to rounding.

Table 20.3: Britain's Main Markets and Suppliers 1991^a

	Value (£ million)	Share (per cent)
Main markets		
Germany	14,635	14.0
France	11,801	11.3
United States	11,351	10.8
Netherlands	8,235	7.9
Italy	6,159	5.9
Belgium/Luxembourg	5,866	5.6
Irish Republic	5,274	5.0
Spain	4,285	4.0
Sweden	2,462	2.3
Japan	2,258	2.2
Main suppliers		
Germany	17,718	14.9
United States	13,705	11.5
France	11,020	9.3
Netherlands	10,030	8.4
Japan	6,752	5.7
Italy	6,383	5.4
Belgium/Luxembourg	5,475	4.6
Irish Republic	4,410	3.7
Norway	4,251	3.6
Switzerland	3,754	3.2

Source: *Monthly Review of External Trade Statistics*.

^aOn an overseas trade statistics basis. Exports are f.o.b.; imports c.i.f.

imports has fallen from around 35 per cent in the 1950s to 10 per cent in 1991 as a result both of the increasing extent to which food demand has been met from domestic agriculture and the decline in the proportion of total expenditure on food.

Geographical Distribution

Britain's overseas trade is mainly—and increasingly—with other developed countries. In 1970 these accounted for 73 per cent of exports and a similar proportion of imports; by 1991 the shares were 81 and 84 per cent respectively. In 1970 non-oil developing countries accounted for 17 per cent of Britain's exports and 15 per cent of imports; by 1991 they accounted for 12 per cent of both Britain's exports and imports.

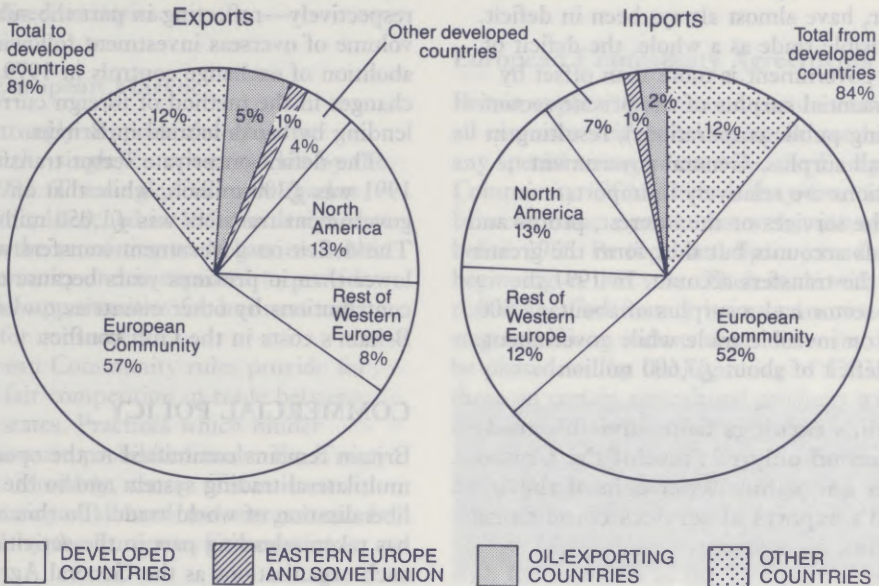
In 1972, the year before Britain joined the European Community (EC), around a third of Britain's trade was with the other 11

countries which today make up the Community. The proportion is now more than half, and is expected to increase with the completion of the single European market by the end of 1992 (see p 64). Western Europe as a whole took almost two-thirds of Britain's exports in 1991. Trade with other Commonwealth countries has declined in importance.

European Community countries accounted for seven of Britain's top ten export markets and for six of the ten leading suppliers of goods to Britain in 1991 (see Table 20.3). From 1981 to 1989 the United States was Britain's largest single market but in 1990 it was overtaken by Germany. Germany is also Britain's largest single supplier; in 1991 it took 14 per cent of Britain's exports and supplied 15 per cent of Britain's imports.

There have been a number of changes in the pattern of Britain's overseas trade in recent years. The growth in wealth of the oil-

Geographical Distribution of Trade 1991



Differences between totals and the sums of their component parts are due to rounding.

Source: *Monthly Review of External Trade Statistics*.

exporting countries during the 1970s led to a sharp increase in their imports from all sources and by the early 1980s they were taking some 12 per cent of Britain's exports. However, by 1991, their share of Britain's exports had fallen to 5 per cent, partly because of a reduction in the price of oil. In 1973 the oil-exporting countries supplied 10 per cent of Britain's imports but, with Britain achieving self-sufficiency in oil, the proportion had fallen to 2 per cent by 1991.

Britain's exports to the newly industrialised economies of the Asia-Pacific Rim, such as Thailand and Malaysia, have been growing rapidly. In 1991, its exports to Korea rose by 27 per cent, exports to Taiwan grew by 21 per cent and those to Hong Kong increased by 12 per cent. Japan has steadily increased its share of Britain's imports and now accounts for about 6 per cent. Since 1980 the percentage of Britain's total exports going to Japan has doubled, and Japan is Britain's tenth largest market. There are signs of improved prospects for trade with the Middle East. In 1991, Britain's exports to Lebanon increased by over 60 per cent, those

to Iran, Syria and Morocco grew by around 30 per cent and exports to Turkey rose by nearly 20 per cent.

INVISIBLE TRANSACTIONS

Transactions on invisible trade fall into three main groups:

- internationally tradeable services;
- interest, profits and dividends on external assets; and
- transfers between governments.

Invisible trade is of fundamental importance to Britain's economy; overseas earnings from invisibles amounted to £116,000 million in 1991—over £12,000 million more than earnings from visible trade.

Services range from banking, insurance and stockbroking to specialist services such as consultancy, computer programming, training and tourism. Britain's trade on services has been in surplus for over 200 years, excluding war periods. Its tradeable services account for around 40 per cent of total output.

Interest, profits and dividends on external assets have rarely been in deficit; transfers, however, have almost always been in deficit. For invisible trade as a whole, the deficit of general government is more than offset by the substantial surplus of the private sector (including public corporations), resulting in an overall surplus. General government transactions are relatively unimportant in either the services or the interest, profits and dividends accounts but they form the greater part of the transfers account. In 1991 the private sector had a surplus of about £7,500 million on invisible trade while government had a deficit of about £3,600 million.

Britain's earnings from invisible trade are second only to those of the United States and some 10 per cent of the world's exports of services come from Britain.

Earnings from private sector services in 1991 amounted to £31,300 million and debits were £23,900 million, leading to a surplus of about £7,400 million, compared with one of around £6,900 million in 1990. The surplus on private sector interest, profits and dividends was £460 million in 1991—about the same as in 1990. Earnings on portfolio investment (investment in overseas securities)

and on direct investment overseas remained high—at £9,300 million and £13,500 million respectively—reflecting in part the substantial volume of overseas investment following the abolition of exchange controls in 1979 and changes in the method of foreign currency lending by banks located in Britain.

The deficit on private sector transfers in 1991 was £300 million, while that on government transfers was £1,050 million. The deficit on government transfers was lower than in previous years because of contributions by other countries towards Britain's costs in the Gulf conflict.

COMMERCIAL POLICY

Britain remains committed to the open multilateral trading system and to the further liberalisation of world trade. To this end it has taken a leading part in the activities of such organisations as the General Agreement on Tariffs and Trade (GATT), the International Monetary Fund (IMF) and the Organisation for Economic Co-operation and Development (OECD). It has given full support to the current round of multilateral trade negotiations. Since 1973, when Britain joined, the European Community has acted for Britain in international trade negotiations. The Community's common customs tariff is,

Table 20.4: Britain's Invisible Transactions 1991

	£ million		
	Credits	Debits	Balance
Private sector and public corporations	109,096	101,547	7,549
Services	31,290	23,904	7,386
<i>of which:</i> Sea transport	3,658	3,643	15
Civil aviation	3,927	4,397	-470
Travel	7,165	9,825	-2,660
Financial and other services	16,540	6,039	10,501
Interest, profits and dividends	75,906	75,443	463
Transfers	1,900	2,200	-300
General government	7,069	10,648	-3,579
Services	412	2,808	-2,396
Interest, profits and dividends	1,763	1,897	-134
Transfers	4,894	5,943	-1,049
Total invisible transactions	116,164	112,195	3,969

Source: *United Kingdom Balance of Payments 1992 Edition*.

Note: Differences between totals and the sums of their component parts are due to rounding.

at a trade-weighted average of 2.5 per cent, similar to the tariffs of most major industrialised countries.

Single European Market

Britain strongly supports the drive to complete the single European market by the end of 1992. The single European market programme, launched in 1985, is designed to eliminate the remaining trade barriers within the Community and is expected to provide substantial opportunities for business and benefits for consumers.

European Community rules provide for free and fair competition in trade between member states. Practices which hinder competition are prohibited under the Treaty of Rome. Similarly, abuses of dominant positions are not allowed and mergers can be examined by the European Commission.

General Agreement on Tariffs and Trade

Tariffs and non-tariff barriers to trade have been considerably reduced in the seven rounds of multilateral trade negotiations completed since 1947 under the auspices of GATT, the most recent one completed being the Tokyo Round (1973–79). Britain participates in these negotiations as a member of the European Community.

The eighth round of GATT multilateral trade negotiations (the Uruguay Round) was launched in 1986. It is the most ambitious and wide-ranging round of trade negotiations ever. The most recent stage of negotiations started in February 1991. The Uruguay Round's main concerns are:

- to bring trade in agriculture and textiles fully within the GATT system;
- to achieve further reductions in tariff and non-tariff barriers;
- to extend GATT disciplines to the new areas of intellectual property, investment and services; and
- to strengthen the GATT system, so that it can deal more effectively with trade distortions and disputes.

The British Government remains committed to a successful conclusion to the

Uruguay Round and is working to bring this about as soon as possible.

European Community Agreements

Britain applies the common customs tariff to all countries neither belonging to, nor having any special arrangement with, the European Community (EC). There is duty-free trade between those member states that joined before 1986. Portugal and Spain joined at the beginning of that year. Their trade with the rest of the Community is in a transitional stage: tariffs on industrial products are due to be phased out by the beginning of 1993, but those on certain agricultural products will be dismantled over a longer period.

Austria, Turkey, Malta, Cyprus, Finland, Switzerland and Sweden have applied for EC membership.

The EC signed an agreement in May 1992 with the members of the European Free Trade Association (EFTA—Austria, Finland, Iceland, Liechtenstein, Norway, Sweden and Switzerland) on the creation of the European Economic Area (EEA). The British Government hopes that the draft agreement will be ratified by all the national parliaments by 1 January 1993.

The EEA will form a single market of 19 west European states based on Community legislation establishing free movement of goods, services, capital and people. It will create a market of 380 million consumers, accounting for nearly half the world's trade.

The EC also has reciprocal preferential trading agreements with Cyprus, Israel, Malta and Turkey and non-reciprocal agreements with Algeria, Morocco, Tunisia, Egypt, Jordan, the Occupied Territories, Lebanon, Syria and, under the Lomé Convention, with a group of 69 African, Caribbean and Pacific developing countries. The Lomé Convention gives these countries tariff-free access, subject to certain safeguards, to the EC for industrial goods and most agricultural products. Tariff preference is given to developing countries under the Generalised System of Preferences,

and also to the Faroe Islands and the overseas dependencies and territories of member states.

Economic co-operation agreements exist between the EC and several Latin American countries, the People's Republic of China, the Association of South East Asian Nations and the six members of the Gulf Co-operation Council. Negotiations are in progress which may lead to the establishment of a free trade area embracing the Community and the Council.

The EC has negotiated trade, commercial and economic co-operation agreements with Bulgaria, Czechoslovakia, Hungary, Poland, Romania, Albania, the Baltic states and the former Soviet Union. These agreements cover trade concessions and co-operation in areas such as energy, agriculture, transport and the environment. Association agreements are currently being negotiated with Czechoslovakia, Bulgaria, Hungary and Poland to facilitate closer political and economic ties and the eventual creation of a free trade zone, with a view to those countries becoming full members of the EC.

CONTROLS ON TRADE

Britain maintains few restrictions on its international trade. Most goods may be imported freely and only a narrow range of goods is subject to any sort of export control.

Import Controls

In accordance with its international obligations under GATT and to the European Community, Britain has progressively removed almost all quantitative import restrictions imposed on economic grounds. The few remaining quantitative restrictions mainly affect textile goods (in view of the rapid contraction of the domestic textile industry). They stem primarily from the Multi-Fibre Arrangement (MFA), under which a series of bilateral agreements cover international trade in textiles, designed to balance the interests of both exporting and importing countries. The present MFA expired in 1991 but has been extended to the end of 1992, pending its phasing out as part of the Uruguay Round of GATT. A small

number of quantitative restrictions are also maintained against non-GATT countries. Britain, in accordance with European Community directives, operates a ban on the import from North Korea and South Africa of certain iron and steel products.

Quantitative restrictions have been removed from imports of goods of EC origin. However, there are exceptions: Britain continues to apply internationally recognised restrictions on non-economic grounds to imports from all countries of products such as firearms, ammunition and nuclear materials. Non-economic restrictions are also applied to goods such as meat and poultry; animals, birds, bees, fish and plants and some of their derivatives; unlicensed controlled drugs; explosives; fireworks; certain offensive weapons; certain citizens' band radios; indecent or obscene articles and products derived from endangered species.

Export Controls

The great majority of British exports are not subject to any government control or direction except for presentation and declaration to HM Customs and Excise to enable them to exercise any necessary controls and collect overseas trade statistics. Controls govern the export of goods associated with biological, chemical and nuclear weapons and missiles. There are also controls on the export of firearms, military equipment and of dual-use industrial goods—those that can be used for both civil and military purposes.

Other controls include those for health certification purposes on certain animals, meat and fish exported to another member of the European Community; on endangered animal and plant species; and on antiques and works of art, including photographic material, documents, manuscripts and archaeological items.

The Co-ordinating Committee for Multilateral Export Controls (COCOM), of which Britain is a member, has already agreed on extensive relaxation in East/West controls because of the political changes in Eastern Europe. The break-up of the former Soviet Union is expected to change these controls still further.

Britain is a member of the Australia Group and of the Missile Technology Control Regime, international bodies which aim to prevent the spread of weapons of mass destruction. It has issued a list of countries of concern, along with lists of controlled goods and technologies used in the production, handling or storage of nuclear, chemical and biological weapons and missile technology. Also listed are controlled dual-use items. All controls are introduced while attempting to minimise the regulatory burden on business.

GOVERNMENT SERVICES

The Government assists exporters by creating conditions favourable to the export trade and by providing practical help, advice and financial support.

Export Promotion Services

The major government departments involved in export promotion collaborate under the auspices of Overseas Trade Services. The departments are: the Department of Trade and Industry (DTI), the Foreign & Commonwealth Office, the Industry Department of the Welsh Office, Scottish Trade International and the Industrial Development Board of Northern Ireland. The operation is conducted from the DTI's London headquarters, from 11 regional offices throughout Britain and from nearly 200 diplomatic posts overseas.

The range of services available includes the dissemination of export intelligence, assistance in researching potential markets, help at trade fairs and support for firms participating in trade missions. In 1991-92 some £173 million was spent on support for exporters.

Overseas Trade Services is advised by the British Overseas Trade Board (BOTB), which involves some 200 experienced business people in its work. The BOTB has 14 area advisory groups, each dealing with different areas of the world, and particular industrial sectors within them. Overseas Trade Services focuses particular attention on 54 target markets, 27 of which fall within

three top priority areas for official export promotion—Western Europe, North America, Japan and the Asia-Pacific Rim.

British Invisibles, which is financed almost entirely by contributions from the private sector, especially City institutions, promotes measures to encourage invisible trade.

ECGD

ECGD is a government department, responsible to the Secretary of State for Trade and Industry. It provides facilities for medium- and long-term export credit on projects and capital goods exports. By guaranteeing credit, ECGD helps British exporters overcome many of the risks in selling overseas. In December 1991 the Insurance Services Group, formerly part of ECGD, was sold to the private sector following a competitive tendering process. The ECGD specialises in making available insurance for exporters of capital goods sold on short-term credit.

BALANCE OF PAYMENTS

The balance-of-payments statistics record transactions between residents of Britain and non-residents. The transactions are classified into two groups: current account (visibles and invisibles) and transactions in assets and liabilities. The balance on current account shows whether Britain has had a surplus of income over expenditure.

Since 1983 Britain has had a deficit on visible trade. It has traditionally run a surplus on trade in invisibles. Between 1990 and 1991 the deficit on visible trade fell from £18,800 million to £10,300 million. The surplus on invisibles rose from £1,800 million to almost £4,000 million. The surplus on services increased by £400 million; that on interest, profits and dividends declined by £1,800 million; and the deficit on transfers fell by £3,500 million.

Capital Flows

Britain has no exchange controls; residents are free to acquire foreign currency for any purpose, including direct and portfolio

Table 20.5: Britain's Balance of Payments 1987-91

	£ million				
	1987	1988	1989	1990	1991
Current account					
Visible trade balance	-11,582	-21,480	-24,683	-18,809	-10,290
Invisible transactions balance	7,099	5,302	2,956	1,778	3,969
Current balance	-4,482	-16,179	-21,726	-17,029	6,321
Financial account					
Transactions in assets and liabilities					
British external assets	-82,205	-58,475	-88,912	-79,498	-20,780
British external liabilities	86,539	67,870	108,172	90,591	26,030
Balancing item	148	6,783	2,467	5,938	1,072

Source: *United Kingdom Balance of Payments 1992 Edition*.

Note: Differences between totals and the sums of their component parts are due to rounding.

investment overseas. There are also no controls on the lending of sterling abroad and non-residents may freely acquire sterling for any purpose. Gold may be freely bought and sold. Exchange controls were abolished in 1979, and Britain meets in full its obligations on capital movements under the OECD code on capital movements and under European Community directives.

The Government welcomes both outward and inward investment. Outward investment helps to develop markets for British exports while providing earnings in the form of interest, profits and dividends. Inward investment is promoted by DTI's Invest in Britain Bureau as a means of introducing new technology, products, management styles and attitudes; creating employment; and increasing exports or substituting imports.

Inward direct investment in 1991 was £12,000 million, compared with £18,600 million in 1990. In 1991 direct investment overseas by British residents was about £10,300 million, and outward portfolio investment was £30,900 million, almost twice the 1990 level. The inflow of direct and portfolio investment into Britain amounted to £28,700 million, an increase of more than £4,700 million on the previous year. An analysis of transactions in Britain's external assets and liabilities is given in Table 20.6.

External Assets and Liabilities

At the end of 1991, Britain's identified external assets exceeded identified external liabilities by £16,100 million. The previous year, liabilities had exceeded assets by £400 million. Net assets of the private sector and public corporations amounted to £7,100 million and those of general government to £9,000 million.

Direct investment assets overseas of British residents (investment in branches, subsidiaries and associated companies) totalled £129,600 at the end of 1991 and portfolio investment £239,100. At the end of 1989 (the latest year for which data are available), over 86 per cent of direct investment was in developed countries, with over 42 per cent in the United States and 24 per cent in the European Community. In 1989 manufacturing accounted for 54 per cent of net outward direct investment made that year, energy for 6 per cent and financial services for 8 per cent.

The significance of any inventory of Britain's aggregate external assets and liabilities is limited because a variety of claims and obligations are included that are very dissimilar in kind, in degree of liquidity and in method of valuation. For example, while portfolio investment is valued at estimated market prices, direct investment is given at book value, which is likely to understate its current market value.

Table 20.6: Summary of Transactions in External Assets^a and Liabilities^b
1989-91

	£ million		
	1989	1990	1991
Overseas direct investment in Britain	18,567	18,634	12,045
Overseas portfolio investment in Britain	14,603	5,276	16,627
British direct investment overseas	-21,515	-9,553	-10,261
British portfolio investment overseas	-35,486	-15,844	-30,908
Borrowing from overseas	72,750	65,400	-396
Deposits and lending overseas	-39,419	-52,999	23,944
Official reserves ^a	5,440	-79	-2,662
Other external liabilities of general government	2,252	1,281	-2,246
Other external assets of general government	-873	-1,025	-894
Total	19,259	11,091	5,249

Source: *United Kingdom Balance of Payments 1991 Edition*.

^a Increase -/decrease +

^b Increase +/decrease -

Note: Differences between totals and the sums of their component parts are due to rounding.

Direct investment in Britain by overseas residents amounted to £127,000 million at the end of 1991 and portfolio investment to £131,200 million. At the end of 1989, investment from developed countries accounted for 95 per cent of overseas direct investment in Britain: 39 per cent originated in the United States and 28 per cent in the European Community. During 1989, 41 per cent of net direct inward investment was in manufacturing, 12 per cent was in energy and 30 per cent was in financial services.

Another type of overseas transaction is

company cross-border acquisitions and mergers carried out by British companies. In 1991 these were valued at £8,300 million, while the corresponding figure for operations in Britain by overseas companies was £6,600 million. The European Community accounted for 41 per cent of the value of acquisitions and mergers by British companies and the United States for 39 per cent. The European Community also accounted for 27 per cent of the value of acquisitions and mergers by overseas companies.

21 Promotion of Science and Technology

Britain has a long tradition of research and innovation in science and technology in universities, research institutes and industry. Its record of achievement is in many ways unsurpassed, from the contributions of Isaac Newton to physics and astronomy in the sixteenth and seventeenth centuries (theory of gravitation and three laws of motion) to the inventions of Michael Faraday in the nineteenth century (the first electric motor, generator and transformer). This record has been maintained throughout the twentieth century. For example, fundamental contributions to modern molecular genetics were made through the discovery of the three-dimensional molecular structure of deoxyribonucleic acid (DNA) by Francis Crick, Maurice Wilkins, James Watson and Rosalind Franklin at Cambridge University in 1953.

Other notable contributions over the last 20 years have been made by Stephen Hawking in improving the understanding of the nature and origin of the universe; Brian Josephson in superconductivity (abnormally high electrical conductivity at low temperatures); Martin Ryle and Anthony Hewish in radio-astronomy; Frederick Sanger in molecular biology; César Milstein in monoclonal antibodies; and Godfrey Hounsfield in computer-assisted tomography for medical diagnosis.

Much pioneering work was done during the 1980s. Michael Green helped to develop the superstring theories, which shed new light on the composition of matter. In 1985 Alec Jeffreys invented DNA fingerprinting, a forensic technique which can identify an individual from a small tissue sample. The first combined heart, lungs and liver transplant was carried out at Papworth Hospital, Cambridge, in 1986. There have been several breakthroughs in genetics

research, including the identification of the gene in the Y chromosome responsible for determining sex, and the identification of other genes linked to diseases, including cystic fibrosis and a type of inherited heart disease.

Nobel prizes for science have been won by 70 British citizens.

Research and Development in Industry

Industries with the highest levels of research and development (R & D) spending are electrical, electronic and instrument engineering; chemicals; and aerospace. Some examples of recent notable R & D projects in these sectors are given below.

Electronics

British firms and research organisations, with government support, are involved in the development and application of the new family of 'three-five' semiconductor materials (such as gallium arsenide). These materials are used in microwave devices and are leading to the development of much faster computers. British Telecom (BT) has led in the development of optical fibre communications systems and has paved the way for simpler and cheaper optical cables by laying the first non-repeated cable over 100 km (62 miles) long, and by developing the first all-optical repeater. Britain also has a world lead in the transmission of computerised data along telephone lines for reproduction on television screens.

Chemicals

Research performed by the chemical industry over the last few years has led to significant technological and commercial breakthroughs. ICI has pioneered the microbial production of

a biodegradable plastic, Biopol, and is at the forefront of global efforts to develop substitutes for chlorofluorocarbons (CFCs). Chemical companies increasingly devote their resources to developing specific products and processes, so that much of the basic research is carried out in universities and other non-profit-making establishments.

Pharmaceuticals is the most research-intensive sector of the chemicals industry (see pp 243–4). Research conducted by ICI and leading pharmaceuticals companies Glaxo, SmithKline Beecham and Fisons has led to the development of the first successful beta-blockers, drugs used in the treatment of cardiovascular conditions; semi-synthetic penicillins and treatments for asthma and arthritis. Glaxo is Britain's biggest pharmaceutical company. In 1992, it won its fifth Queen's Award for technology, for the antibiotic Zinnat. It manufactures the world's best-selling pharmaceutical, Zantac, which is used in the treatment of gastric ulcers. Glaxo is believed to spend more on R & D than any other pharmaceutical company in the world. Wellcome's drug zidovudine (AZT) is still the only anti-viral agent for the treatment of human immunodeficiency virus (HIV) infection that is approved in many overseas countries.

Among a host of other research interests are the application of biotechnology to pharmaceuticals and to plant science, and the development of advanced materials such as engineering plastics. In 1992 a pharmaceuticals company, Pharmaceutical Proteins, developed a protein expressed in the milk of a genetically altered sheep. The protein, alpha-1 antitrypsin (AAT), can be used in the treatment of emphysema resulting from a deficiency in the protein.

Aerospace

Britain has led the world in many aspects of aerospace research and development over the last 80 years. Pioneering achievements include radar, jet engines, Concorde, automatic landing, vertical take-off and landing, flight simulators and ejector seats. British Aerospace, with Marconi and Dowty Boulton Paul, developed a system known as 'fly-by-wire', in which flying control surfaces are

moved by electronic rather than mechanical means. GEC Avionics has also developed the world's first optically signalled ('fly-by-light') system. The concept of head-up display (HUD) was pioneered and developed in Britain. This system electronically projects symbols into the pilot's view, avoiding the need to look down at instruments. GEC Avionics has developed a holographic HUD, which enables pilots to fly at high speeds at very low altitude in darkness.

Government Policy and Organisation

The main objectives of the Government's science programme are to advance scientific knowledge and technological capability and provide training for scientists, in order to achieve economic, social and cultural benefits for Britain. The Government considers that public funding should support the pursuit of basic scientific knowledge, while industry should bear the chief responsibility for the commercial development of scientific advances.

Science and technology issues are the responsibility of a Cabinet Minister, the Chancellor of the Duchy of Lancaster, acting on behalf of the Prime Minister. The Minister is supported by an Office of Science and Technology (OST)—part of the Office of Public Service and Science within the Cabinet Office—headed by the Government's Chief Scientific Adviser.

The OST receives independent advice from eminent scientists, technologists and industrialists.

In addition to its role in overall science policy and co-ordination, the OST is responsible for the science budget and the five government-financed research councils (see p 380). OST funding provides assistance for research, through the research councils, in the following ways:

- grants and contracts to universities and other higher education establishments and to research units;
- funding of research council establishments;
- support for postgraduate study; and

- subscriptions to international scientific organisations.

Research and Development Expenditure

Total expenditure in Britain on scientific research and development in 1990 was £12,137 million, 2.2 per cent of gross domestic product. Some 50 per cent of this was provided by industry and 36 per cent by government. Significant contributions were also made by private endowments; trusts and charities; and from overseas.

Government finance for R & D goes to research establishments, institutions of higher education and private industry, as well as to collaborative research programmes. In many cases private-sector and state industries finance their own research and run their own laboratories. Industry also funds university research and finances contract research at government establishments. Some charities have their own laboratories and offer grants for outside research.

Total net government R & D expenditure (both civil and defence) in 1991–92 was £5,074 million, of which £2,824 million was devoted to civil science.

The science budget (net of receipts) has risen by 12 per cent in real terms since 1982–83, totalling £846 million in 1991–92. The planned net expenditure of £1,088 million for the five research councils in 1993–94 represents a 14 per cent increase in real terms compared with 1990–91.

Among other government departments, the Ministry of Defence (MoD) has the largest research budget. The main civil departments involved are the Department of Trade and Industry (DTI—see p 385), the Ministry of Agriculture, Fisheries and Food (MAFF—see p 388) and the Department for Education (DFE—see p 387).

Total spending on R & D in industry amounted to £8,082 million in 1990–91, 6 per cent more than in 1989–90. Of this total, industry's own contribution was 68 per cent, with 17 per cent from government and the rest from overseas. The main areas of

expenditure were electronics (£2,327 million), amounting to 29 per cent of the total; chemicals (£1,923 million), comprising 24 per cent; and aerospace (£1,212 million), at 15 per cent.

PUBLIC SECTOR RESEARCH

The five research councils (see pp 381–5) are: the Science and Engineering Research Council (SERC); the Medical Research Council (MRC); the Natural Environment Research Council (NERC); the Agricultural and Food Research Council (AFRC); and the Economic and Social Research Council (ESRC). The OST provides funding for the research councils, taking account of their respective needs, and of the balance between national and international scientific activities. It also promotes effective links between the five research councils and those using their research, such as industry and government departments.

Expenditure on science, together with funding for the universities through the Universities Funding Council (UFC), sustains Britain's science base in the research councils and higher education institutions. Each of the research councils is an autonomous body established under Royal Charter, with members of their governing councils drawn from the universities, professions, industry and the Government. They conduct research through their own establishments and by supporting selected research, study and training in universities and other higher education establishments. In addition to funding from the OST, they also receive income for research commissioned by government departments and from the private sector. Income from commissioned research is particularly important for the AFRC and NERC.

Institutions undertaking research with the support of research council grants have the rights and responsibility for the commercial exploitation of that research, subject to prior agreement with the sponsoring research council. Universities and research institutes may make use of the expertise of the British Technology Group (BTG—see p 390) to patent and license their inventions.

Science and Engineering Research Council

The Science and Engineering Research Council is responsible for supporting research and postgraduate training in pure and applied science and engineering outside the areas of agriculture, medicine and the environment covered by the other research councils. SERC has the largest share of research council funding. Its expenditure in 1991–92 totalled £488.2 million (compared with £477.6 million in 1990–91). This included:

- research grants, chiefly to higher education institutions (£168.6 million);
- contributions to international organisations (£100 million—see p 393);
- financing for the Council's own establishments (£93 million); and
- funding of postgraduate training (£77 million).

The Council has funded interdisciplinary research centres in fields such as high-temperature superconductivity, engineering design, molecular sciences, high performance materials, and optical- and laser-related science and technology. It encourages collaboration between higher education and industry, partly by sponsoring co-ordinated research programmes in areas of special industrial concern. SERC's allocation for 1992–93 is £521 million, which includes £26 million transferred from the Universities Funding Council to cover overheads in scientific research. The increase in funding will benefit the development of new materials, clean technologies, earth observation and atmospheric chemistry. SERC is the largest single national source of support for postgraduate students. Current numbers supported are around 8,000 for research degrees and 2,600 for advanced taught courses.

SERC maintains four research establishments: the Rutherford Appleton Laboratory at Chilton (Oxfordshire), Daresbury Laboratory at Warrington (Cheshire), Royal Greenwich Observatory at Cambridge, and the Royal Observatory, Edinburgh. These centres of specialised research have experimental facilities beyond

the resources of individual academic institutions; they also undertake contract research.

SERC research support is organised under four boards, covering science (£130 million in 1990–91); engineering (£124 million); nuclear physics (£87 million); and astronomy and planetary science (£77 million). In recent years its policy has been to shift the balance of funding from the astronomy and nuclear physics boards, largely representing 'big' science, to the more general areas of science and engineering, representing research on a smaller scale. In 1993 the Astronomy and Planetary Science Board will merge with the Nuclear Physics Board. Additional boards being set up are a Science and Materials Board and an Engineering and Technology Board.

Science

The Science Board's main objective is to ensure the vitality of the core sciences—chemistry, physics, biology and mathematics—and of materials science and biotechnology, for which it has joint responsibility with the Engineering Board. The Board supports academic research of the highest priority and quality, encourages interdisciplinary research, and promotes collaboration between the academic sector, industry and the international scientific community. Research is supported through grants and by providing access to major world-class facilities, either on a national basis, such as the ISIS pulsed neutron source and the Synchrotron Radiation Source at Daresbury Laboratory, or through international collaboration, such as the Institut Laue-Langevin and the European Synchrotron Radiation Facility in Grenoble (see p 393). While much of the programme results from unsolicited proposals, a substantial proportion of particular significance is selected for special co-ordination and support. Examples are molecular recognition, applied non-linear mathematics and atmospheric chemistry. The Science Board also supports a range of LINK programmes (see p 385) and interdisciplinary research centres.

Engineering

The Engineering Board supports fundamental and strategic research into the development of advanced technology. It aims to identify promising areas of national importance and initiates and sustains co-ordinated programmes of research which may be developed by others to give direct benefit to industry. Subject areas of prime importance are materials research and biotechnology (where a special directorate, financed jointly with the Science Board, is in operation). Postgraduate training has the highest priority.

In 1992 the Science Board launched a pilot scheme of engineering doctorates, to be based at three centres. The doctorates involve a combination of project work and taught course work, carried out in close collaboration with industry. The Board is also administering a complementary pilot scheme of industrial research organisation studentships, to be based at five centres and offered jointly by the industrial research organisations and higher education institutions. The Clean Technology programme, launched in 1992 with the AFRC, aims to stimulate research leading to new technologies to prevent pollution caused by industry and agriculture. In collaboration with the Ministry of Agriculture, Fisheries and Food, the Coastal Engineering Research Programme was established to investigate beach erosion and estuary pollution.

Nuclear Physics

The Nuclear Physics Board supports particle physics and nuclear structure physics. Particle physics funding is provided to allow researchers in higher education institutions access to leading facilities such as those at CERN (the European Organisation for Nuclear Research—see p 393) and DESY (Deutsches Elektronen Synchrotron). The Rutherford Appleton Laboratory provides valuable support to university researchers and co-ordinates the development and construction of essential items of equipment. The Board supports a number of eminent researchers in theoretical particle physics who have gained an international reputation for

their work on the unification of the fundamental forces of nature.

The nuclear physics programme is presently concentrated largely at the Daresbury Laboratory, which has a 20-million volt tandem accelerator. This accelerator is, however, due to close in April 1993, when British researchers will make use of other European facilities. An example of international scientific collaboration coming to fruition is the development, with French scientists, of EUROGAM, the world's most advanced gamma ray spectrometer.

Astronomy and Planetary Science

The Astronomy and Planetary Science Board supports space science, including contributions to international programmes (see p 394), ground-based astronomy and geophysics. In optical astronomy SERC is a principal partner in the international observatory on the island of La Palma in the Canary Islands. The observatory's four telescopes include the 4.2-m William Herschel. Opened in 1987, it is the third largest single-mirror optical telescope in the world. On Mauna Kea, Hawaii, SERC has a 3.8-m infra-red telescope, the largest telescope in the world designed specifically for infra-red observations, and the 15-m James Clerk Maxwell radio telescope (built in collaboration with the Netherlands and Canada). Such telescopes have proved invaluable to scientists researching the creation of the universe. A centre costing £1.85 million is planned to co-ordinate data from four satellite-borne instruments in the SOHO cluster mission (see p 394), a programme set up to investigate the Sun and its impact on the Earth's environment.

Medical Research Council

The Medical Research Council is the main government agency supporting medical research. It advises the Government on matters relating to medical research and co-operates with government departments and other organisations in Britain and overseas. Its budget amounted to £223.4 million in 1991–92, of which £202.9 million came from

the science budget. The Council supports research in its own establishments and through its grant systems to research workers at higher education institutions and hospitals. The MRC's major research establishments are the National Institute for Medical Research at Mill Hill, London; the Clinical Research Centre at Northwick Park Hospital, London; and the Laboratory of Molecular Biology at Cambridge. Three interdisciplinary research centres have been established in molecular medicine, protein engineering and cell biology. Three more are planned, in brain activity and human behaviour, brain repair, and toxicology.

The Council's scientists and doctors have pioneered developments in molecular biology, therapeutic clinical trials, applied psychology, and methods of imaging the body such as magnetic resonance and ultrasound. Larger research programmes include psychiatric and neurological (like Alzheimer's) disease, heart and respiratory ailments, cancer, tropical medicine, reproduction and contraception, and infection and immunity.

Recent important medical developments include: the identification of the male sex gene; the discovery of a gene defect linked to Alzheimer's disease; the discovery of a gene defect linked to a form of inherited heart disease; and the construction of a silver neurone which acts like a human brain cell.

Major projects currently being undertaken are:

- specially funded work on AIDS;
- research on vaccines against meningitis and whooping cough;
- the mapping of the human genome, the complete sequence of genes in a human cell;
- the genetic and neurosciences approach to human health;
- the Clinical Research Initiative;
- physiological mechanisms and public health, which covers research in nutrition, the environment, diabetes and imaging techniques.

The Council encourages collaboration between its establishments and industry in order to promote the transfer of skills and technologies, the exploitation of its discoveries, and the development of new health care products. The MRC Collaboration Centre at Mill Hill, London, and the Clinical Research Centre provide an important technology transfer function for the MRC.

Natural Environment Research Council

The Natural Environment Research Council seeks to advance understanding of the biological, physical and chemical processes of the planet, and how the natural environment is changing, either by natural causes or through human activities. Its objectives include contributions to exploration and exploitation of natural resources, land-use planning, environmental protection and conservation, energy supply and aid to overseas countries. The successful transfer of technology from the science base to government and the private sector takes high priority.

In 1991-92 about £123.7 million (75 per cent) of NERC's funds came from the science budget, with the remainder coming from commissioned work for public authorities and industry in Britain and overseas. Increases in the science budget over the next three years will enable a major new multidisciplinary community research project, the Land-Ocean Interaction Study (LOIS), to begin. This will further the understanding of processes affecting organic matter, such as river sediment, sewage and gases transported between land, ocean and atmosphere and their effect on the properties and health of coastal facilities.

The Council supports research and training in 14 NERC institutes and research units and in universities and polytechnics. NERC institutes include the British Geological Survey, the Institute of Terrestrial Ecology, the Institute of Oceanographic Sciences Deacon Laboratory, and the British Antarctic Survey.

NERC conducts local and regional research in Britain and in other countries,

while also participating in major international environmental projects. Examples of NERC research and new developments include:

- a comprehensive geological survey of Britain's inner continental shelf, completed by the British Geological Survey, yielding a detailed picture of its margin and associated natural resources. Britain is the first country in the world to complete such a survey;
- the NERC biogeochemical ocean flux study, which examines how carbon dioxide is absorbed by the oceans and buried in the sea floor sediments, helping to stabilise the greenhouse effect;
- the Fine Resolution Antarctic Model, which simulates 16 years of ocean dynamics and gives new insights into heat circulation, thereby making a vital step towards climate prediction; and
- the Offshore Survey and Geophysical Monitoring project, which investigates the mineral resources and seismic hazards of Britain's offshore areas.

Among applied projects in progress overseas are initiatives in biological pest control; regeneration of tropical hardwoods; drip irrigation techniques for tropical crops; and surveys of potential resources, such as freshwater and underground water supply and geothermal energy.

The James Rennell Centre in Southampton is a focal point for Britain's contributions to the World Ocean Circulation Experiment, which investigates the vital role of the oceans in controlling climate. Major programmes in global environmental change—such as the World Climate Research Programme—continue to involve NERC.

The interdisciplinary research centre for population biology at Imperial College, University of London, was set up to aid research into ecology and population interactions. A series of 16 computer-controlled environmental chambers provide suitable living conditions for small communities of plants and animals.

Several environmental data centres have been established at NERC sites.

Agricultural and Food Research Council

The Agricultural and Food Research Council supports research underpinning agriculture, food and the biologically based industries. Among the Council's main research areas are plant science, arable crops, horticulture, grassland and environmental research, animal physiology and genetics, food research, and agricultural engineering.

Work is carried out at seven AFRC institutes, at Horticulture Research International (formerly the AFRC Institute of Horticultural Research), and in higher education institutions. The AFRC also provides scientific advice to the Scottish Office Agriculture and Fisheries Department on research in the Scottish Agricultural Research Institutes. Funding for 1992–93 will enable further work to be done in intracellular signalling (the chemical language by which cells within plants and animals communicate), global environmental research, plant molecular biology and stem cell biology.

The AFRC's funding totalled £139.3 million in 1991–92. At present two-thirds is drawn from the science budget and about a quarter from MAFF for commissioned research, with a growing proportion from industry.

Recent developments include the completion of the Transgenic Animals Programme, extending existing transgenic work in mice to farm livestock and the manipulation of genetic proteins in animals' milk. Significant advances have been made in the study of plant reproductive processes and plant/herbivore interactions. New programmes have been launched, including a study of the transport of pollutants in soils and rocks, and a working group set up to examine the use of animals in research.

Economic and Social Research Council

The Economic and Social Research Council supports research and training in the social sciences in universities, other higher

education establishments, and some independent research institutes. The aims of the Council are to modernise social science methods and research resources, and increase recognition of the value of social science. The Council conducts research in education, social sciences, environment and planning, psychology, industrial and business management, economics and information technology. In 1991–92 it received £36 million (95 per cent of its funding) from the science budget, and has been allocated £45 million in 1992–93.

Examples of recent work are research on the evolution of rules for the single European market and on the management by firms of new technologies and the functioning of markets; a joint council initiative in cognitive science/human computer interaction, also funded by the MRC and SERC; and a multi-disciplinary initiative on social change and economic life in Britain in 1990–91, which has produced extensive data for use by policy-makers, social scientists and public sector agencies. New programmes will research global environmental change, East–West Europe comparisons, economic performance, taxation, education and personal welfare.

Department of Trade and Industry

Direct government support for research in industry is led by the Department of Trade and Industry. Although most industrial research and development is financed by industry itself, the DTI provides assistance where there is a sound case for doing so. The Department has moved away from support for research by single companies with a strong commercial emphasis towards collaborative programmes of pre-competitive research, with greater emphasis on encouraging links between industry and the science base, and on technology transfer.

In 1990–91 the DTI spent £310 million on R & D, covering general industrial innovation, aeronautics, space (see p 394) and support for statutory, regulatory and policy responsibilities. A further £103 million was allocated to technology transfer and related activities.

The DTI also funds research in support of

offshore oil and gas technology, which was previously funded by the Department of Energy. The largest part of its energy R & D expenditure is on nuclear energy (£107 million in 1991–92), most of which is carried out by the former United Kingdom Atomic Energy Authority, now AEA Technology.

DTI Industrial Innovation Programmes

There are four main schemes of collaborative R & D: LINK, Advanced Technology Programmes, 'Club' R & D and EUREKA (see p 393). These complement European Community R & D programmes (see p 392). The DTI has spent over £200 million since 1989 in support of collaborative research programmes as part of the Government's strategy to stimulate innovation. Government financial assistance for R & D in industry is set to increase to £346 million by 1995.

The LINK scheme is a joint DTI–OST initiative, encouraging collaboration on high-quality, industrially relevant, research between industry and higher education institutions and research bodies. The aim is to bridge the gap between scientific research and the resulting commercial applications. Under the scheme, government funds 50 per cent of costs and industry the other half.

By April 1992 government funding worth £193 million had been committed to 30 LINK programmes, mainly in the areas of biotechnology, advanced materials, advanced manufacturing and electronics, and food processing.

Advanced Technology Programmes help companies to collaborate in pre-competitive research in new technologies in order to accelerate their industrial application. Fifteen programmes in high-temperature superconductivity, marine exploitation and several aspects of electronics and information technology were in place in 1992.

Club R & D enables companies, particularly small and medium-sized companies, to benefit from collaborative research in a major research organisation at a subsidised rate. Research is conducted in a host organisation, such as a

higher education institution or a research and technology organisation.

To encourage research work and innovation in small companies, the DTI also runs a competitive scheme called the Small Firms Merit Award for Research and Technology (SMART). Each year 180 awards are offered to aid highly innovative and potentially commercial projects being developed by individuals and firms with fewer than 50 employees. In 1992 an additional £40 million of government funding was committed for a new three-year programme of SMART competitions.

Support for small and medium-sized companies is available under the Support for Products under Research (SPUR) scheme, which helps smaller firms to be more innovative by awarding grants towards the cost of new product and process development projects. Some £32 million is being made available between February 1991 and March 1994. Over £12 million of DTI financing and 142 grants had been awarded by the end of March 1992.

Aeronautics

Funding from the DTI supports research and innovation in Britain's aircraft and aeroengine industry, helping it to compete effectively in world markets. Over half of the work supported is conducted in industry and the universities, and the remainder in Ministry of Defence establishments. The Civil Aircraft and Aeroengine Research and Demonstration Programme (CARAD) is part of a national aircraft research effort undertaken by industry, the Government, research establishments and higher education institutes; it covers research on airframe technology, avionics and propulsion systems. In 1990-91 CARAD was supported by government funding of £26.1 million. Nearly 30 per cent of the programme is used to finance the European Wind Tunnel project in Cologne, due to become operational in 1997.

Launch Aid is a scheme providing government assistance for specific development projects in the aerospace industry. British Aerospace is currently receiving aid for its participation in the

European Airbus Industrie consortium for the A330/340 airliner project, and Westland for its participation in the commercial EH 101 helicopter.

Industrial Research Establishments

The DTI has four research establishments. Their primary role is to provide the Government with an effective source of scientific and technological expertise. They supply technological services to industry and also undertake research commissioned by industry. The laboratories, which are also involved in a variety of international activities, are:

1. the Laboratory of the Government Chemist, the focus for chemical measurement within government. It provides both public and private sectors with a comprehensive service based on analytical chemistry and promotes sound chemical measurement in Britain as part of the National Measurement System. Its Biotechnology Unit takes the lead within government for promoting the industrial application of biotechnology.
2. the National Engineering Laboratory (NEL), which carries out a range of technical services, including R & D, testing and consultancies in engineering and related disciplines. It also maintains British Standards of flow measurement, which are of special importance in the oil and gas industries. NEL manages technology transfer programmes for DTI in open systems, as well as operating the National Wind Turbine Centre.
3. the National Physical Laboratory (NPL), Britain's national standards laboratory with responsibility for maintaining national measurement standards for physical quantities. It supplies essential calibration and technology transfer services for industry, and undertakes performance-related research on standards for engineering materials and information technology. NPL is also the base for the National Measurement Accreditation Service, which provides accreditation of calibration and testing laboratories in both the public and private sectors.

4. Warren Spring Laboratory, which undertakes research and technical services for the monitoring and abatement of pollution, including waste treatment, recycling and cleaner technologies.

All four laboratories are now executive agencies. NEL is being restructured with a long-term view to privatising it.

Technology Transfer

The DTI has introduced several programmes specifically to encourage technology transfer. They promote the use of best-practice techniques and modern technology in addition to exploiting the most recent research. Examples are the Open Systems information technology standards programme and the Materials Matter programme, concerned with modern materials and associated manufacturing methods. Each programme comprises an integrated package of activities which may include seminars, conferences and demonstration activities, as well as the production of case study material and other practical literature. There are also general technology transfer programmes not related to specific technology areas. For example, in association with the Department for Education and the Department of Employment, the DTI supports 12 Regional Technology Centres. These help disseminate new technologies and promote flows of knowledge from higher education institutions to small and medium-sized enterprises.

The Manufacturing Planning and Implementation Studies Programme and the Technical Action Line help companies to plan their use of advanced manufacturing technology and gain access to technical advice. With support from SERC, the DTI is funding a programme aimed at exploiting the potential of parallel computing. The aim is to combine large numbers of microprocessors in order to offer low-cost supercomputer performance to industry and commerce. A pilot scheme was set up by the DTI and OST in September 1992 to foster closer links between the science base, industrial research and industry. Through this scheme, groups of students carrying out research for higher degrees will be able to undertake practical

work in an industrial research organisation in partnership with a higher education institution.

Department for Education

The Department for Education (formerly the Department of Education and Science) had responsibility for civil science until April 1992, when it was transferred to the OST.

The DFE remains the main source of public funding for the universities, whose individual allocations are determined by the Universities Funding Council (see p 389). Together with the Scottish and Welsh education departments, the DTI and Department of Employment, the DFE funds a number of schemes for training full-time students and those working in industry in the latest technology. For example, under the Professional, Industrial and Commercial Updating (PICKUP) initiative, scientists from higher education institutions spend time at the Regional Technology Centres, training employees of private sector companies in recent developments in their fields.

Ministry of Defence

Expenditure by the Ministry of Defence on research and development in 1990–91 amounted to more than £2,190 million. Some £410 million of this was medium- and long-term applied research relevant to military needs, much of it carried out in the MoD's defence research establishments. Around £158 million of research was undertaken under contract in industry and the academic sector. Research accounts for less than one-fifth of total defence R & D expenditure. The balance relates to the development of specific items of equipment, most of which is carried out by industry, and represents the bulk of government expenditure on R & D in industry. The Government is committed to achieving a gradual reduction in real terms in spending on defence R & D in future years.

Four non-nuclear research establishments, the Royal Aerospace Establishment, the Royal Signals and Radar Establishment, the Admiralty Research Establishment, and the Royal Armament Research and Development Establishment have merged to become the

Defence Research Agency. Its role is to provide scientific and technical services to the MoD and other government departments. The defence research programme emphasises the value of work financed jointly with industry. Initiatives have been taken to encourage 'spin-off' from defence technology to the civil market in fields ranging from new materials and electronic devices to advanced aerodynamics to be used in civil aircraft and jet engines. Some £171 million of research work is done under contract in industry and the universities.

The defence research establishments, including the Defence Research Agency, carry out work worth £46 million a year funded by other government departments for civil purposes. A further £22 million of work is done for other customers, involving the use of facilities by industrial firms for both defence and civil work. Technologies developed for civil use, such as information technology, are also incorporated into defence where possible.

Recent technological innovations by research establishments include:

- development of a prototype video system which gives aircraft flight crews an external view of the aircraft and its engines, providing a contribution to fire safety;
- invention of a technique for detecting low concentrations of gas at great distances at sea, which has potential civil applications for the identification of hazardous gases.

Other Government Departments

The Ministry of Agriculture, Fisheries and Food co-ordinates its research programme with the Scottish Office Agriculture and Fisheries Department, the Department of Agriculture for Northern Ireland and the AFRC (see p 384). Overall, the Ministry's research has four main objectives: to foster an efficient and competitive agricultural industry; to protect the consumer and the environment; to assist in the formulation and assessment of policy; and to underpin the applied R & D undertaken by the agricultural industry.

MAFF's wide-ranging responsibilities are reflected in its research activities, which cover land use and conservation of the countryside, animal welfare, food safety and quality, and conservation of fish stocks. Expenditure in 1991-92 was £127 million deployed with contractors, which included the AFRC (£34 million); the Agricultural Development Advisory Service (£16 million); Horticulture Research International (£13 million); and Central Science Laboratory (£11 million).

The Department of the Environment funds research in several policy areas: environmental protection, including radioactive substances; water; the countryside; planning and inner cities; local government; housing; building and construction; and energy efficiency. The largest individual sub-programme concerns the safe disposal of radioactive waste. An area of research of increasing importance is that of pollution-related climate change. Total research expenditure in 1991-92 was £95 million.

The Department of Health is introducing the first comprehensive R & D strategy for the National Health Service in England and Wales, which will focus on improving methods of health care and achieving a cost-effective use of resources. The Department also manages a Health and Personal Social Services research programme concerned with the needs of ministers and policy-makers, with emphasis on improving efficiency. The Department's Director of Research and Development advises the Secretary of State on research undertaken by non-departmental public bodies answerable to the Department.

The National Computing Centre promotes best practice in software engineering in industry, while the Government's Central Computer and Telecommunications Agency encourages the establishment of standards of computer compatibility and the best use of information technology in the public sector.

The Overseas Development Administration (ODA) conducts research programmes which are directly targeted on the main needs of developing countries. Some of these may be addressed by adapting suitable existing Western technology, while others are unique to the developing world and therefore require special treatment. The

ODA supports a research programme worth around £5.5 million a year to tackle infrastructure problems. It uses the expertise of agencies such as the Transport Research Laboratory, the British Geological Survey, and the Institute of Hydrology. It also commissions research from universities and industry. Current programmes include reduced cost sewerage systems; water disinfection and waste treatment techniques; simple pump technology; and heat storage technology for cooking.

ACADEMIC RESEARCH

The Universities Funding Council, with funding from the Department for Education, is the largest single source of finance for universities in Great Britain. About 40 per cent of research carried out in universities is financed from resources allocated by the UFC. These funds contribute to the cost of academic staff—who teach as well as carry out research—and pay for support staff, administration, equipment and accommodation. The UFC was allocated £930 million in the academic year 1991–92. Total funds allocated in 1992–93 amount to £950 million.

The research councils also support scientific research in the universities and other institutions of higher education in two main ways. First, they provide postgraduate awards to over a quarter of postgraduate students in science and technology. Secondly, they give grants and contracts to universities and other institutions for specified projects, particularly in new or developing areas of research. The research councils have become responsible for meeting all the costs of the research projects they support in universities and other higher education institutions. However, all higher education institutions continue to pay the costs of permanent academic staff salaries and the upkeep of premises.

The other main channels of support for scientific research in universities are government departments, charities and industry. The European Community also provides substantial funding. Universities are expected to recover the full cost of

short-term commissioned research from the Government and industry. UFC funds are allocated selectively to encourage universities to focus on those areas where they have existing research strength.

The high quality of research in universities, and their marketing skills, have enabled them to attract more funding from a larger range of external sources. Close co-operation continues between the universities, industry and the Government in joint projects. The research income of universities from industry and other outside sources is rising rapidly and amounted to over £915 million in 1989–90. Universities also provide other services to industry, such as professional updating courses. In addition, the polytechnics and colleges carry out contract research for industry and others, mainly in applied and related strategic fields. Many universities now operate industrial liaison units.

Recent Research Developments

Universities in Britain have achieved a number of recent technological breakthroughs and enjoy a world-class reputation:

- Research into plant productivity at the University of Essex has led to an understanding of how a combination of light and temperature extremes damages maize and other crops;
- A printed liquidic circuit system for performing instant chemical analysis in the doctor's surgery has been developed by scientists at Birmingham University. The device can test for a range of conditions, including pregnancy, cholesterol levels, and HIV antibodies;
- Researchers at Leeds University are building a navigational aid that for the first time will allow aircraft to fix their position to the nearest 15 metres by analysing signals from United States and former Soviet navigational satellites.

Science Parks

Science parks are intended to promote closer links between industry and university

research departments. By April 1992 there were 40 such parks in operation, at or near universities, with accommodation for around 1,000 companies. Most are involved in computing, electronics, instrumentation, robotics, electrical engineering, chemicals and biotechnology. Research, development and training activities are emphasised, rather than large-scale manufacturing. The biggest science park is at Cambridge, with some 85 companies on site.

OTHER ORGANISATIONS

Charitable Foundations

Charitable foundations sponsoring research include the Cancer Research Campaign, the Imperial Cancer Research Fund, the Wellcome Trust and the Nuffield Foundation. Their combined research funding amounts to £216 million a year. In 1991 the largest spenders on medical research were the Wellcome Trust at £100 million and the Imperial Cancer Research Fund at £52.6 million. The Wellcome Trust intends to make more money available for research, having sold half its stake in Wellcome plc.

Industrial Research and Technology Organisations

Britain has the largest Research and Technology Organisation (RTO) sector in Europe, consisting of approximately 70 organisations. In 1991 it had a combined turnover of approximately £400 million and a total staff of over 10,000. RTOs provide contract research and technological advice to many customers and all specialise to some extent in a range of technologies and in the industries from which their customers are drawn. The organisations are linked by the Cambridge-based Association of Independent Research and Technology Organisations.

CEST

The Centre for Exploitation of Science and Technology (CEST), which was set up in 1988, studies the evolution of markets and aims to identify scientific knowledge and

technologies needed to improve competitive performance in particular industries. CEST is funded by industry and government.

British Technology Group

British Technology Group promotes the development of new technology into commercial products, particularly where the technology originates from public sector sources, such as universities, other higher education institutions, research councils and government research establishments. It offers to take responsibility for protecting and licensing inventions from these sources, makes available funds for development, seeks licensees and negotiates licence agreements with industry.

BTG provides finance to industry to encourage innovation, most commonly through equity or project finance. In the case of project finance, companies are offered up to 50 per cent of their development costs. The Group also helps companies to negotiate licences overseas for their inventions. BTG expects to recover its investment by means of a percentage levy on sales of the resulting product or process.

At present, BTG administers over 9,000 patents covering some 1,600 technologies. In 1991 the Group's total revenue exceeded £30 million. Annual sales value of products currently licensed by BTG amounts to more than £1,500 million. BTG is owned by a consortium consisting of BTG management, employees and financial institutions.

Professional Institutions and Learned Societies

There are numerous technical institutions and professional associations in Britain, many of which promote their own disciplines or the education and professional well-being of their members.

The Council of Science and Technology Institutes has seven member institutes representing biology, chemical engineering, chemistry, food science and technology, geology, hospital physics and physics. The Engineering Council (see p 235) promotes the study of all types of engineering in schools

and other organisations, in co-operation with its 250 industry affiliates. These include large private sector companies and government departments. Together with 46 professional engineering institutions, the Council accredits courses in higher education institutions. It also advises the Government on a range of academic, industrial and professional issues. The national academy of engineering in Britain is the Royal Academy of Engineering (formerly the Fellowship of Engineering). It promotes the discipline and advises the Government on related policy issues. Its membership consists of distinguished engineers.

More than 300 learned societies play an important part in the promotion of science and technology through meetings, publications and sponsorship.

The Royal Society

The most prestigious learned society is the Royal Society (in full: The Royal Society of London for Improving Natural Knowledge), founded in 1660. The Society has over 1,000 Fellows and Foreign Members, many of whom serve on governmental advisory councils and committees concerned with research. The Society's expenditure in 1992-93 will be around £22 million. It administers a grant from the OST, amounting to £17 million in 1992-93; the remainder is derived from private funds.

The Society encourages scientific research and its application through a programme of meetings and lectures, publications, and by awarding grants, fellowships and other funding. It recognises scientific and technological achievements through election to the Fellowship and the award of medals and endowed lectureships. As the national academy of sciences, it represents Britain in international non-governmental organisations and is involved in a variety of international scientific programmes. It also facilitates collaborative projects and the exchange of scientists through bilateral agreements with academies and research councils throughout

the world. It gives independent advice on scientific matters, notably to government, and represents and supports the scientific community as a whole. The Society is increasingly active in promoting science understanding and awareness among the general public, as well as science education. It also supports research into the history of scientific endeavour.

Other Societies

In Scotland, the Royal Society of Edinburgh, established in 1783, promotes science by awarding scholarships, organising meetings and symposia, publishing journals and awarding prizes. It also administers fellowship schemes for post-doctoral research workers.

Three other major institutions publicise scientific developments through lectures and publications for specialists and for schoolchildren. Of these, the British Association for the Advancement of Science (BAAS), founded in 1831, is mainly concerned with science, while the Royal Society of Arts, dating from 1754, deals with the arts and commerce as well as science. The Royal Institution, founded in 1799, also performs these functions and runs its own research laboratories.

The Committee on the Public Understanding of Science (COPUS), set up in 1986 by the Royal Society, the BAAS, and the Royal Institution, acts as a focus for a broad-ranging programme in Britain to improve public awareness of science and technology. It recommends initiatives to its sponsoring bodies and promotes activities of other organisations and institutions.

Zoological Gardens

The Zoological Society of London, an independent scientific body, runs London Zoo, which occupies some 15 hectares (36 acres) of Regent's Park, London. The zoo has successfully operated a captive breeding programme to conserve some of the world's most endangered animals, such as Brazilian golden lion tamarins. The Society is responsible for the Institute of Zoology, which carries out research in conservation

and comparative medicine. It also organises scientific meetings and symposia, and publishes scientific journals.

Whipsnade Wild Animal Park near Dunstable (Bedfordshire) is also managed by the Society. Other well-known zoos include those at Edinburgh, Bristol, Chester, Dudley and Marwell (near Winchester).

Botanical Gardens

The Royal Botanic Gardens, founded in 1759, cover 121 hectares (300 acres) at Kew in west London and a 187-hectare (462-acre) estate at Wakehurst Place, Ardingly, in West Sussex. They contain the largest collections of living and dried plants in the world. Research is conducted into all aspects of plant life, including physiology, biochemistry, genetics, economic botany and the conservation of habitats and species. Kew has the world's largest seed bank for wild origin species and is active in programmes to return endangered plant species to the wild. It participates in joint research programmes in 52 countries.

The Royal Botanic Garden in Edinburgh, founded in 1670, is a centre for research into taxonomy (classification of species), for the conservation and study of living plants and for horticultural education.

Scientific Museums

The Natural History Museum, which includes the Geological Museum, has 60 million specimens ranging in size from a blue whale skeleton to minute insects. It is one of the world's principal centres for research into natural history, offering an advisory service to institutions all over the world. The museum is keen to promote public appreciation of nature conservation and in 1991 opened a major exhibition on ecology, illustrating the diversity of living species.

The Science Museum promotes understanding of the history of science, technology, industry and medicine. Its extensive collection of scientific instruments and machinery is complemented by interactive computer games and audio-visual

equipment for visitors to use. In this way the museum explains scientific principles to the public and documents the history of science, from early discoveries to space age technology. These two museums are in South Kensington, London. Other important collections include those of the Museum of Science and Industry in Birmingham, the Museum of Science and Industry in Manchester, the Museum of the History of Science in Oxford, and the Royal Scottish Museum, Edinburgh.

INTERNATIONAL SCIENTIFIC RELATIONS

European Community

Since 1984, the European Community has run a series of R & D framework programmes in a number of strategic sectors, with the aim of strengthening the scientific and technological basis of European industry and improving its international competitiveness. The Third Framework Programme lasts from 1990 to 1994, with a European Community budget of 5,700 million ECUs (£4,200 million). It overlaps with the Second Framework Programme (1987 to 1991), and covers the following broad categories:

- information and communication technologies;
- industrial and material technologies;
- the environment;
- life sciences and technologies;
- energy; and
- human capital and mobility.

The share of the total funding available which British organisations—research organisations, companies and higher education institutions—have secured is broadly equal to Britain's notional contribution to the R & D budget of the European Community.

Britain hosts the Joint European Torus nuclear fusion project (JET), based at Culham, Oxfordshire. In an experiment conducted in December 1991, JET produced a power release of 1 megawatt for

a period of two seconds. This is regarded as a potentially significant step towards demonstrating the feasibility of fusion as an energy source.

Other International Activities

EUREKA is an industry-led scheme to encourage European co-operation in the development and production of high-technology products with worldwide sales potential. There are currently 493 approved EUREKA projects, with an estimated total investment of £6,000 million. Over 300 British organisations are participating in 129 of these, 29 of which are British-led. In 1992 Britain became involved in 30 new projects, over twice the level for 1991. The members of EUREKA are the 12 countries of the European Community, the six countries of the European Free Trade Association, Turkey and the European Commission.

The European Co-operation in the Field of Scientific and Technical Research (COST) programme encourages the co-operation of national research activities, in which non-European Community countries may participate with member states on an equal basis. There are currently 23 member states, including the 12 countries of the European Community.

Britain is a member of the European Organisation for Nuclear Research (CERN) in Geneva. Its contributions to CERN, to the high-flux neutron source at the Institut Laue-Langevin and to the European Synchrotron Radiation Facility, both at Grenoble, are paid through SERC.

The European Synchrotron Radiation Facility, due for completion in 1998, has received 12 per cent of its total costs from Britain. British scientists and engineers had a role in designing and constructing detectors for three of the four major experimental stations of the Large Electron Positron collider at CERN. SERC is also a partner in the European Incoherent Scatter radar facilities in northern Scandinavia, which are used for atmospheric research.

Through NERC, Britain is a member of the Ocean Drilling Program, led by the United States, and of the World Ocean

Circulation Experiment (see p 384). Through the MRC, Britain participates in the European Molecular Biology Organisation. Britain is also a member of the science and technology committees of international organisations such as the Organisation for Economic Co-operation and Development and the North Atlantic Treaty Organisation, and various specialised agencies of the United Nations.

A number of inter-governmental and inter-agency agreements have been concluded with other countries for co-operation in science and technology. Among non-governmental organisations, the five research councils, the Royal Society and the British Academy were founder members of the European Science Foundation in 1974. The research councils also maintain a joint office in Brussels to further European co-operation in research. Staff in British Embassies and High Commissions promote contacts in science and technology between Britain and overseas countries: there are science and technology counsellors in Paris, Bonn, Washington, Tokyo and Moscow.

The British Council promotes better understanding and knowledge of Britain and its scientific and technological achievements. It encourages exchanges of specialists, supplies specialised information, and fosters co-operation in research, training and education. The Council also identifies and manages technological, scientific and educational projects in developing countries.

Many British companies participate in commercial co-operative research projects with overseas manufacturers.

Examples of European technological developments involving Britain are:

- the development of an experimental rig for the European Fast Reactor nuclear power project;
- a four-year collaborative programme led by scientists at Harwell to investigate the use of materials as catalysts and adsorbents; and
- A two-year project, funded under the European Community's Science and Technology for Environmental

Technology Programme (STEP), involves Warren Spring Laboratory and organisations in other European countries in the development of biotechnological processes to remove metals from solid wastes.

Space Activities

Britain's support for civil space research is co-ordinated by the British National Space Centre (BNSC), a partnership between various government departments and research councils. The BNSC encourages industry to exploit opportunities in space, based on appraisal of project costs and potential technological and commercial benefits. Through BNSC, Britain spent some £158 million on space activities in 1991-92, financed mainly by the DTI and SERC. Of this around 60 per cent was devoted to programmes shared with the European Space Agency (ESA). The remainder supported a programme of research and development in government establishments, universities and industry.

The major part of Britain's space programme is concerned with satellite-based earth observation (remote sensing) for commercial and environmental applications. Britain has committed around £94 million to the ESA's satellite ERS-1, launched in 1991, which is designed to give all-weather, 24-hour coverage of the Earth. It has provided the main active microwave instrument for ERS-1, along with a precision instrument to measure thermal infra-red emissions from the sea surface. British remote sensing instruments are also being flown on the upper atmosphere research satellite launched and operated by the United States National Aeronautics and Space Administration (NASA).

Britain is also contributing £260 million to the Columbus programme, which is Europe's contribution to the United States-led International Space Station project, and £34 million to ERS-2. It is playing a major role in developing the polar-orbiting platform and key instruments for the Columbus project.

In space science, Britain has played a role in almost all of the ESA's missions. These

include the investigation of Halley's Comet (1986) and Grigg Skjellerup (1992) by the British-built Giotto spacecraft; the International Ultraviolet Explorer; the Hipparcos star-mapping mission; and the Ulysses solar polar probe which has used British-made instruments to investigate Jupiter's magnetic field. Britain is contributing substantially to the Cluster and SOHO missions to be launched in 1995 to study the Sun, the Earth's magnetosphere and the solar wind. It is also expected that Britain will participate in the ESA's X-ray spectroscopy mission due for launching in 1998.

The Earth Observation Data Centre, opened in 1991 at Farnborough, Hampshire, and operated by the National Remote Sensing Centre, is equipped to process the data output from ERS-1 and successor missions, including ERS-2 and the Columbus Polar Platform, due for launch in 1997-98. Remote sensing data is distributed to scientists and commercial users and makes vital contributions to many global environment programmes.

There are bilateral arrangements for space research between Britain and other countries, notably the United States through NASA, the Commonwealth of Independent States and the People's Republic of China. British groups have participated in several NASA space science missions, and have developed instruments for NASA's Hubble Space Telescope. In May 1991 Britain's first astronaut, Helen Sharman, participated in a mission of the Soviet Mir space station, during which she performed a number of scientific experiments in orbit. Other collaborations include the development of the wide-field camera for Germany's X-ray satellite ROSAT and the X-ray sensor for the Japanese-built Ginga satellite.

In satellite communications Britain continues to collaborate with the ESA in such programmes as Olympus, DRTM and ASTP-4, with the aim of encouraging the use and development of new services and research concepts.

22 Promotion of the Arts

Artistic and cultural activity in Britain ranges from the highest professional standards to the enthusiastic support and participation of amateurs. London is one of the leading world centres for drama, music, opera and dance. Other large cities such as Birmingham, Bristol, Manchester, Edinburgh and Glasgow have also sustained and developed their reputations as centres of artistic excellence in recent years. Arts festivals held in towns and cities throughout the country attract wide interest. Many British playwrights, composers, film-makers, sculptors, painters, writers, actors, singers, musicians, choreographers and dancers enjoy international reputations. Television and radio bring a wide range of artistic events to a large audience. Arts activities introduced and developed by the ethnic minorities are also thriving. At an amateur level, numerous choral, orchestral, operatic, dramatic and other societies for the arts make use of local talent and resources. The arts in Britain represent a major sector of economic activity. In 1990 they contributed an estimated £6,000 million to the country's balance of payments.

Arts 2000

Arts 2000 is an Arts Council of Great Britain (see p 397) initiative which celebrates the approach of the millennium. Each year between 1992 and 2000, a city, town or region in Britain will be nominated to celebrate a particular art form, concluding with the Year of the Artist in 2000. Birmingham has been chosen as City of Music 1992, the East Midlands will be the Region of Dance 1993, Manchester is to be City of Drama in 1994, and Swansea the City of Literature in 1995.

Arts 2000 is a competitive process judged by an expert Arts Council panel. Winners are offered £250,000 from Arts Council funds, for which co-sponsorship is being sought; they are expected to make substantial contributions of their own to create a wide-ranging and imaginative programme with a strong European context.

Policies

The Government's policies for the arts aim to develop a high standard of artistic and cultural activity throughout Britain; to encourage innovation and scholarship; and to promote public access to, and appreciation of, the arts and the cultural heritage. This is achieved through providing funds and advice, and expanding total resources by encouraging partnership with the private sector, including business sponsorship. National museums and galleries are encouraged and given an incentive to increase their resources, for example, through trading and other activities. An important concept in funding policy is the 'arm's length' principle, by which government funds are distributed to arts organisations indirectly, through bodies such as the Arts Council of Great Britain and the British Film Institute; this protects against undue political influence over funding decisions by ensuring that the allocation of funds is made by those best qualified to do so.

Administration

Promotion and patronage of the arts are the concern of both official and unofficial bodies. The Government and local authorities play an active part, and a substantial amount of help comes from private sources, including trusts and commercial concerns.

The Secretary of State for National Heritage is responsible for general arts policy and heads the Department of National Heritage, which replaced the Office of Arts and Libraries in April 1992. The new Department determines government policy and administers government expenditure on national museums and art galleries in England, the Arts Council of Great Britain, the British Library and other national arts and heritage bodies. Other responsibilities include the regulation of the film industry, broadcasting and the export licensing of antiques. The Secretaries of State for Wales, Scotland and Northern Ireland are responsible for the national museums, galleries and libraries in their countries, and for other cultural matters.

Local authorities maintain more than 1,000 local museums and art galleries and a network of over 5,000 public libraries. They also support many arts buildings, arts organisations and artistic events in their areas, providing grant aid for professional and voluntary organisations, including orchestras and theatre, opera and dance companies. They undertake direct promotions and contribute to the cost of new or converted buildings for the arts. In England this support is estimated to be around £200 million a year. Arts education in schools, colleges, polytechnics, evening institutes and community centres is the responsibility of central government education departments, in partnership with local education authorities and voluntary bodies.

Finance

Since 1988 the Government has set the arts budget for a three-year period in order to give recipient arts bodies a firm basis on which to plan future activities and to encourage greater self-reliance and diversification in their sources of funding. It considers that this strategy has proved successful in encouraging arts bodies to match their plans to a realistic view of the total resources likely to be available. The three-year settlement applies to the larger part of the central government arts programme.

Planned central government expenditure through the Department of National Heritage amounts to £609 million in 1992-93. About £192 million is spent on 11 national galleries and museums in England; £221 million is channelled through the Arts Council to support the performing and visual arts throughout England, Scotland and Wales; and over £70 million goes to the British Library. Grants are also made to the British Film Institute, the Crafts Council, certain other museums and arts bodies, and to the National Heritage Memorial Fund. The Fund helps organisations wishing to acquire, for the public benefit, land, buildings, works of art and other objects associated with the national heritage. In Scotland the Scottish Office provides £20.5 million to the National Galleries and Museums and £11.8 million to the National Library.

Business Sponsorship

Industrial and commercial concerns offer vital sponsorship and patronage to a wide range of arts, including exhibitions, concerts and opera seasons. The Business Sponsorship Incentive Scheme was introduced by the then Office of Arts and Libraries in co-operation with the Association for Business Sponsorship of the Arts (ABSA) in Great Britain in 1984, with the aim of raising the overall level of business sponsorship. (A similar scheme was set up in Northern Ireland in 1987.) Since its inception the Scheme has brought over £48 million into the arts (including a government contribution of over £16 million) and has attracted over 2,000 first-time sponsors. An estimated 80 per cent of the awards have been made to arts organisations outside London. In 1992-93 the Scheme is making available £4.5 million to match new sponsorships. ABSA is also participating in UK Charity Lotteries, a venture launched in 1991 designed to benefit 200 charities, among them many arts organisations.

The Arts Council's Enhancement Fund, introduced in 1990, aims to strengthen leading arts organisations so as to improve artistic quality and business and financial planning. It is setting aside £22.5 million for schemes in England, Scotland and Wales in

the period 1991–92 to 1993–94, and is seeking matching contributions. As a result of the scheme, the City of London has agreed to provide an extra £1.7 million in matching contributions for the Royal Shakespeare Company and the London Symphony Orchestra at the Barbican, in London, while English National Ballet and Opera North will be increasing their touring and enlarging their repertoires.

Further support is encouraged by tax concessions which allow companies and individuals to obtain tax relief on donations to arts charities. For example, under the Gift Aid scheme, announced in 1990, single gifts of £400 and over in any one year qualify for tax relief.

Foundation for Sport and the Arts

The Foundation for Sport and the Arts was set up in 1991 by the Pool Promoters Association, with grants expected to total £60 million a year. About two-thirds of the revenue is used to benefit sport and the remainder to benefit the arts.

Arts Councils

The independent Arts Council of Great Britain, established in 1946 by Royal Charter, is the main channel for government aid to the performing arts. Its chief aims are to:

- improve the knowledge, understanding and practice of the performing and visual arts;
- increase their accessibility to the public; and
- advise and co-operate with government departments, local authorities and other organisations.

The Council gives financial help and advice to organisations ranging from the major opera, dance and drama companies; orchestras and festivals; to small touring theatres and experimental groups.

It also trains arts administrators and helps arts organisations to develop other sources of income, including box-office, trading profits, sponsorship and local authority support. It

encourages contemporary dance, mime, jazz, literature, photography and art films, and helps professional creative writers, choreographers, composers, artists and photographers through a variety of schemes. The Council also promotes art exhibitions and tours and makes funds available for some specialist training courses in the arts. Emphasis is being placed on obtaining funds through partnership arrangements with local authorities and other agencies, and from commercial sources. As an extension of its responsibilities for funding the arts and arts organisations, the Arts Council promotes the arts through broadcasting, film and video (see p 406). Organisations in Scotland and Wales receive their subsidies through the Scottish and Welsh Arts Councils, which are committees of the Arts Council of Great Britain. Northern Ireland has an independent Arts Council with aims and functions similar to those of the Arts Council of Great Britain.

Developments

Government plans to change the structure of arts funding in England took effect from October 1992, when ten regional arts boards (see p 398) were created to replace the 12 regional arts associations. These changes are intended to improve the system of planning and accountability by focusing more clearly on the objectives of funding and monitoring their progress. As part of the process the Arts Council will delegate responsibility for funding many of its clients to the new boards. However, it will retain responsibility for funding the four national companies—the Royal Opera House, the English National Opera, the Royal Shakespeare Company and the Royal National Theatre—and also for the South Bank Centre and the Institute of Contemporary Arts; and for touring, broadcasting, research, education and training.

As part of the same restructuring, the Arts Council was asked to develop a medium-term strategy for funding the arts, and in autumn 1991 it published a series of discussion papers on different aspects of the arts. Following an intensive period of public consultation, the Council produced a draft strategy document for final consultation in May 1992.

Regional Arts Boards

Regional development of the arts in England and Wales is promoted by ten regional arts boards. Through a system of forward planning and budgeting, the boards, each with its own chair, are subject to a more clearly focused system of financial accountability to their national funders (the Arts Council, British Film Institute and Crafts Council) than were their predecessors.

The boards bring together all those in a region—local authorities, private sector companies, artists and arts groups and organisations—with an interest in improving the artistic life of their area. The boards offer financial assistance to artists and arts organisations, and advise on, and in some cases help to promote, activities. They are financed mainly by the Arts Council, with smaller sums from the British Film Institute, the Crafts Council and local authorities, and these interests are represented on their governing bodies. Business sponsorship is also an important source of regional funds.

Arts of Minority Communities

A wide range of arts activities is undertaken by Britain's diverse communities, embracing both the traditional and new forms of artistic expression. In its support for cultural equity the Arts Council has, over the last five years, devoted particular attention to black and Asian dance and drama. In 1990 ADiTi, a development organisation for South Asian dance, was launched in Bradford. The Council has expanded its training schemes to include arts administration and technical skills. The Commonwealth Institute arranges a varied programme of artistic events, and the Minorities Arts Advisory Service is an independent organisation which provides advice and information on, and training in, the arts of these communities.

Arts and Disabled People

In its recent consultation paper (see p 397), the Arts Council expressed concern that the buildings where arts activities take place often fail to meet the needs of people with various

types of disability, despite sensitive planning of new buildings and a considerable amount of work undertaken by local authorities and arts venues.

ADAPT, a voluntary organisation set up in 1989, contributes towards the cost of making new facilities accessible to disabled people. Its funds are raised from government and private sector sponsorship, administered by the Carnegie Trust, which has made the biggest contribution to the organisation. ADAPT has so far raised over £1 million in grants.

In late 1991 the Arts Council launched an Arts and Disability Directory, which provides information on all aspects of arts and disability.

Arts Centres

More than 250 arts centres in Britain provide opportunities for enjoyment of, and participation in, a range of activities in the performing and visual arts, literature, and media arts, with educational projects becoming increasingly important. Nearly all are professionally managed and most are supported by volunteer groups. About 70 per cent of all arts centres are converted buildings, including former churches, warehouses, schools, town halls and private houses. Nearly 90 per cent arrange holiday programmes for young people. The centres are assisted mainly by regional arts boards and local authorities, while the Arts Council funds two large centres in London—the South Bank Centre and the Institute of Contemporary Arts. Many theatres and art galleries also provide a focal point for the community by making available facilities for other arts.

British Council

The British Council promotes a knowledge of British culture overseas and maintains libraries in many of the 95 countries in which it is represented. The Council initiates or supports overseas tours by British theatre companies, orchestras, choirs, opera and dance companies, and jazz, rock and folk groups, as well as by individual actors,

musicians and artists. It also arranges for directors, designers, choreographers and conductors to work with overseas companies, orchestras and choirs. The Council organises and supports fine arts and other exhibitions overseas as well as British participation in international exhibitions and film festivals. It also maintains film libraries in many of the countries in which it works, and encourages professional interchange between Britain and other countries in all cultural fields.

Visiting Arts Office

The Visiting Arts Office, an autonomous body administered by the British Council, promotes foreign arts in Britain. It provides a clearing house for British and overseas arts organisations, advises on touring matters and makes awards for projects.

Broadcasting Organisations

Both BBC radio and television and the independent companies broadcast a wide variety of drama (including adaptations of novels and stage plays), opera, ballet, and music; and general arts magazine programmes and documentaries. These have won many international awards at festivals such as the Prix Italia and Montreux International Television Festivals. Independent television companies also make grants for arts promotion in their regions.

Broadcasting is thus a major medium for making the arts available to the general public and is a crucial source of work for actors, musicians, writers, composers, technicians and others in the arts world. It has created its own forms—nothing like arts documentaries or drama series, for instance, exists in any other medium. Broadcasters commission and produce a vast quantity of new work, notably, but not confined to, music and drama; a playwright or poet can reach a much larger audience through radio or television than through live performances. Television and radio provide critical debate, information and education about the arts, and, through listings programmes, help to promote the arts.

The BBC has six orchestras, which employ many of Britain's full-time

professional musicians. Each week it broadcasts about 100 hours of classical and other music (both live and recorded) on its Radio 3 FM channel. BBC Radio 1 broadcasts rock and pop music 24 hours a day and a large part of the output of BBC Radio 2 and of many independent local radio stations is popular and light music. The first national commercial radio station, Classic FM, which broadcasts mainly popular classical music, came on air in September 1992.

The BBC regularly commissions new music, particularly by British composers, and sponsors concerts, competitions and festivals. Each summer it presents and broadcasts the BBC Promenade Concerts (the 'Proms') at the Royal Albert Hall.

Festivals

Some 650 professional arts festivals take place in Britain each year. The Edinburgh International Festival, featuring a wide range of arts, is the largest of its kind in the world. Other annual festivals held in the Scottish capital include International Folk and Jazz Festivals and the Film and Television Festival, while the Mayfest, the second largest festival in Britain, takes place in Glasgow. Some well-known festivals concentrating on music are the Three Choirs Festival, which has taken place annually for 260 years in Gloucester, Worcester or Hereford; the Cheltenham Festival, largely devoted to contemporary British music; and the Aldeburgh and Bath festivals. Among others catering for a number of art forms are the Royal National Eisteddfod of Wales, the Llangollen International Musical Eisteddfod, the National Gaelic Mod in Scotland, and the festivals in Belfast, Brighton, Buxton, Chichester, Harrogate, Malvern, Pitlochry, Salisbury, Windsor and York.

European Festival of the Arts

A nationwide, £6 million, European Festival of the Arts was held to mark Britain's Presidency of the European Community from 1 July to 31 December 1992, celebrating British artistic achievement within a European context and encouraging a wide

range of art forms. As well as major arts events, the Festival included exchanges between British towns and cities and their European counterparts, and between young people at school, university and college.

DRAMA

Professional Theatre

Britain is one of the world's major centres for theatre, and has a long and rich dramatic tradition. There are many companies based in London and other cities and towns, as well as numerous touring companies which visit theatres, festivals and other venues throughout Britain, including arts and sports centres and social clubs. There are 64 companies in receipt of subsidies from the Arts Council; 27 of these are touring companies.

Contemporary British playwrights who have received international recognition include Harold Pinter, Tom Stoppard, Alan Ayckbourn, Caryl Churchill, Alan Bennett, Peter Shaffer and David Hare. The musicals of Sir Andrew Lloyd Webber have been highly successful both in Britain and overseas. Among the best-known directors are Sir Peter Hall, Trevor Nunn, Adrian Noble, Richard Eyre, Jonathan Miller, Terry Hands and Deborah Warner, while the many British performers who enjoy international reputations include Sir John Gielgud, Sir Alec Guinness, Vanessa Redgrave, Sir Ian McKellen, Derek Jacobi, Albert Finney, Dame Judi Dench, Jonathan Pryce, Brian Cox, Juliet Stevenson, Dame Maggie Smith and Diana Rigg. British stage designers such as John Bury, Ralph Koltai and Carl Toms are internationally recognised.

Britain has about 300 theatres intended for professional use which can seat between 200 and 2,300 people. Some are privately owned, but most are owned either municipally or by non-profit-distributing organisations. Over 30 of these house resident theatre companies receiving subsidies from the Arts Council.

London has about 100 West End and suburban theatres, 15 of them permanently occupied by subsidised companies. These

include the Royal National Theatre, which stages a wide range of modern and classical plays in its three auditoriums on the South Bank; the Royal Shakespeare Company, which presents plays mainly by Shakespeare and his contemporaries, as well as some modern work, both in Stratford-upon-Avon and in its two auditoriums in the City's Barbican Centre; and the English Stage Company at the Royal Court Theatre, which stages the work of many talented new playwrights. West End theatre attendances reached 11 million in 1991.

Most theatres are commercially run and self-financing, relying on popular shows and musicals to be profitable. By contrast, companies funded by the Arts Council tend to offer a mixed repertoire of traditional and experimental or innovative productions.

The Theatres Restoration Fund, announced in February 1992, will provide up to £7 million over three years from 1992-93 for renovating and repairing theatres. It will focus on backstage projects such as rewiring, plumbing and improvements to dressing rooms and orchestra pits, for which no other funds are likely to be available. The Fund is financed jointly by the Government and the Wolfson Charities.

In 1989 the partial remains of the Globe Theatre, where Shakespeare acted, and the Rose Theatre, where his plays were performed during his lifetime, were excavated on the south bank of the Thames in central London; both have since been listed as ancient monuments. A modern reconstruction of the Globe Theatre, on its original site, is in progress. As well as a theatre, the plans include a museum and an exhibition hall.

Regional Theatres

Outside London most cities and many large towns have at least one theatre. Recent examples of older theatres which have been restored include the Theatre Royal, Newcastle upon Tyne, which dates from the eighteenth century, and the Alhambra,

Bradford, the Lyceum, Sheffield, and the Haymarket Theatre, Basingstoke, all dating from the nineteenth century. Others, like the West Yorkshire Playhouse, Leeds, and the Theatre Royal, Plymouth, have been built to the latest designs. Major rebuilding schemes in progress include the restoration of Edinburgh's Empire Theatre (previously a bingo hall), with £1.7 million of public funds, to provide an international venue for large-scale theatrical and operatic productions. Several universities have theatres which house professional companies playing to the general public.

Most regional repertory companies mount about eight to ten productions a year; several have studio theatres in addition to the main auditorium, where they present new or experimental drama and plays of specialist interest. Repertory theatres also often function as a social centre by offering concerts, poetry readings and exhibitions, and by providing restaurants, bars and theatre shops.

Regional theatre companies with major reputations include the Citizens' Theatre, Glasgow, the Royal Exchange, Manchester, Bristol Old Vic, the Liverpool Playhouse (the oldest surviving repertory theatre in Britain), Birmingham Repertory Theatre and Nottingham Playhouse, one of the first modern regional theatres. Successful productions from regional theatre companies often transfer to London's West End, while the largest regional theatres receive visits from the Royal National Theatre or the Royal Shakespeare Company. The English Shakespeare Company, a recently formed classical company, tours the English regions and worldwide.

Theatre for Young People

A number of companies provide theatre for young audiences. Unicorn Theatre for Children and Polka Children's Theatre, both in London, present plays specially written for children; and the Whirligig Theatre tours throughout Britain. The Young Vic Company in London and Contact Theatre Company in Manchester stage plays for young people. Numerous Theatre-in-Education companies

perform in schools for all age ranges and abilities. Some of these companies operate independently—Theatre Centre, for example, plays in London and tours further afield. Others are attached to regional repertory theatres such as the Belgrade in Coventry and the West Yorkshire Playhouse in Leeds. Most regional repertory theatres also mount occasional productions for younger audiences, and concessionary ticket prices are generally available for those at school, college or university. There are also a number of puppet companies.

There has been a marked growth in youth theatres, which number more than 500 in England alone; both the National Youth Theatre in London and the Scottish Youth Theatre in Glasgow offer early acting opportunities to young people.

Dramatic Training

Training for actors, directors, lighting and sound technicians and stage managers is provided mainly in drama schools. Among the best known are the Royal Academy of Dramatic Art, the Central School of Speech and Drama, the London Academy of Music and Dramatic Art, and the Drama Centre (all in London); the Bristol Old Vic School, the Royal Scottish Academy of Music and Drama (Glasgow) and the Manchester Polytechnic School of Drama. Theatre design courses, often based in art schools, are available for people wanting to train as stage designers. A number of universities, polytechnics and other colleges offer degree courses in drama.

Amateur Theatre

There are several thousand amateur dramatic societies throughout Britain. Their work is encouraged by a number of organisations, such as the Central Council for Amateur Theatre, the National Drama Conference, the Scottish Community Drama Association and the Association of Ulster Drama Festivals. A nationwide umbrella body, the Voluntary Arts Network, has recently been established. Amateur companies sometimes receive financial support from local government, regional arts boards and other bodies.

MUSIC, OPERA AND DANCE

A wide range of musical interests is catered for in Britain, ranging from classical music to rock and pop music, the latter being extremely popular, especially among younger people. Folk music, jazz, light music and brass band music also have substantial followings.

The first National Music Day was held on 28 June 1992. This is intended to become an annual event. Its aim is to celebrate the enjoyment of music by encouraging as many people as possible to take part as performers or listeners in a day of music-making covering the widest possible range of music and performance across Britain.

Music

Orchestral and Choral

Seasons of orchestral and choral concerts are promoted every year in many large towns and cities. The principal concert halls in central London are the Royal Festival Hall in the South Bank Centre, next to which are the Queen Elizabeth Hall and the Purcell Room, which accommodate smaller-scale performances; the Barbican Hall (part of the Barbican Centre for Arts and Conferences); the Royal Albert Hall; the Wigmore Hall, a recital centre; and St John's, Smith Square. A major new concert hall, the Symphony Hall, opened in Birmingham in 1991, while plans are in progress to create a new opera house in Edinburgh. A new 2,400-seat international concert hall is to be built for Manchester's Hallé Orchestra; the Government is to contribute £22 million, about half the expected cost.

The leading symphony orchestras are the London Philharmonic, the London Symphony, the Philharmonia, the Royal Philharmonic, the BBC Symphony, the Royal Liverpool Philharmonic, the Hallé (Manchester), the City of Birmingham Symphony, the Bournemouth Symphony,

and the Ulster and the Royal Scottish Orchestras. The BBC's six orchestras provide broadcast concerts which are often open to the public. There are also chamber orchestras such as the English Chamber Orchestra, the Academy of St Martin-in-the-Fields, the Bournemouth Sinfonietta, City of London Sinfonia, the Northern Sinfonia (Newcastle upon Tyne), and the Scottish Chamber Orchestra. Specialised ensembles include the Orchestra of the Age of Enlightenment, the English Baroque Soloists, the English Concert and the London Classical Players. The London Sinfonietta and the Birmingham Contemporary Music Group specialise in performing contemporary music.

British conductors such as Sir Colin Davis, Sir Neville Marriner, Simon Rattle, Andrew Davis, Jane Glover, Sian Edwards and Jeffrey Tate reach a wide audience through their recordings as well as by their performances. The works of living composers such as Sir Michael Tippett, Sir Peter Maxwell Davies and Sir Harrison Birtwistle enjoy international acclaim. Other well-established composers include George Benjamin, John Tavener, Oliver Knussen, Colin Matthews, James MacMillan, Nigel Osborne, Robert Saxton, Mark-Anthony Turnage and Judith Weir. The Master of the Queen's Music, Malcolm Williamson, holds an office within the Royal Household with responsibility for organising and writing music for state occasions. Percussionist Evelyn Glennie and violinist Nigel Kennedy are among solo performers currently enjoying great acclaim.

The principal choral societies include the Bach Choir, the Brighton Festival Chorus, the Royal Choral Society, the Huddersfield Choral Society, the Cardiff Polyphonic Choir, the Edinburgh International Festival Chorus and the Belfast Philharmonic Society. Almost all the leading orchestras maintain their own choral societies. The English tradition of church singing is represented by choirs such as those of King's College Chapel, Cambridge, and Christ Church Cathedral, Oxford. There are many male-voice choirs in Wales and in certain parts of England.

Pop and Rock Music

Every week many hundreds of hours of pop and rock music are broadcast through BBC and independent radio stations, while pop and rock magazine programmes and occasional live or recorded concerts on television further promote pop and rock, which is by far the most popular form of musical expression in Britain.

Among the characteristics of modern pop and rock music are the diversity of styles, the frequency with which new styles and stars emerge, and the short lifespan of many groups. Electric guitars and drums usually provide the instrumental basis, but there has been an increasing use of synthesisers, while modern production techniques have widened the range of music being released. In the 1960s and 1970s groups such as the Beatles, the Rolling Stones, the Who, Led Zeppelin and Pink Floyd achieved international success. British groups continue to be popular throughout the world and are often at the forefront of new developments in music. Some of the more recent groups include the Cure, Iron Maiden, Right Said Fred, the Pet Shop Boys and Wet Wet Wet. Well-known performers include George Michael, Phil Collins, Sting and Lisa Stansfield. In recent years young black musicians have further strengthened the development of popular music.

The pop and rock music industry continues to contribute significantly to Britain's overseas earnings through the sale of recordings, concert tours, and promotional material including clothing and books. The recording industry in Britain has an estimated annual turnover of £1,000 million.

Jazz

Jazz has an enthusiastic following in Britain and is played in numerous clubs and pubs. British musicians such as Barbara Thompson, Stan Tracey, John Surman, Andy Sheppard and Courtney Pine have established strong reputations throughout Europe. Festivals of jazz music are held annually in Soho (London), Edinburgh, Glasgow, Crawley (West Sussex) and at a number of other places. Jazz Services provides a national touring network.

Jazz FM, Britain's first radio station devoted exclusively to jazz, was launched in 1990. It broadcasts both live and recorded music 24 hours a day to listeners in the London area.

Opera and Dance

Interest in opera has increased greatly in the last ten years, while an estimated 6 million people take part in dance, making it one of Britain's leading participatory activities, and audiences are attracted to a widening range of professional dance. Regular seasons of opera and ballet are held at the Royal Opera House, Covent Garden, London. The Royal Opera, Royal Ballet and Birmingham Royal Ballet, which rank among the world's leading companies, are supported by permanent orchestras, as are English National Ballet and Northern Ballet Theatre. Seasons of opera in English are given by the English National Opera at the London Coliseum. Scottish Opera has regular seasons at the Theatre Royal in Glasgow, and tours mainly in Scotland and northern England. Welsh National Opera presents seasons in Cardiff and other cities. Opera North, based in Leeds, tours primarily in the north of England and Opera Factory stages experimental work in opera and music theatre. Opera 80 takes opera to towns throughout England, playing in a wide range of venues. Opera in Northern Ireland is promoted by Opera Northern Ireland.

An opera season for which international casts are specially assembled is held every summer at Glyndebourne in East Sussex. This is followed by an autumn tour by Glyndebourne Touring Opera, often using casts drawn from the chorus of the festival season. Work on a new opera house to be built on the same site at Glyndebourne, costing £33 million, is due to start in late 1992 and to be completed in May 1994. All the funding will come from private sources.

Subsidised Dance Companies

Subsidised dance companies include: the Birmingham (formerly Sadler's Wells) Royal

Ballet, which tours widely in Britain and overseas; English National Ballet, which divides its performances between London and the regions; Northern Ballet Theatre, which is based in Halifax and also tours, particularly in the north of England; and Scottish Ballet, based in Glasgow. Also included are Rambert Dance (Britain's oldest ballet company, which re-formed in 1966 as a leading contemporary dance company); London Contemporary Dance Theatre, which provides regular seasons in London besides touring extensively; Adzido Pan African Dance Ensemble; and The KOSH, which combines dance, theatre and acrobatics. The Arts Council also supports Dance Umbrella, an organisation which promotes an annual festival of contemporary dance. In addition, the three Arts Councils and the regional arts boards support individual artists and offer project grants to several small groups.

Sir Kenneth Macmillan, David Bintley, and Siobhan Davies are among the foremost British choreographers, and Michael Clark and Darcey Bussell among the leading dancers.

Training

Professional training in music is given mainly at colleges of music. The leading London colleges are the Royal Academy of Music, the Royal College of Music, the Guildhall School of Music and Drama, and Trinity College of Music. Outside London the main centres are the Royal Scottish Academy of Music and Drama in Glasgow, the Royal Northern College of Music in Manchester, the Welsh College of Music and Drama, Cardiff, and the Birmingham Conservatoire. The National Opera Studio provides advanced training courses.

Professional training for dancers and choreographers is also provided mainly by specialist schools. Leading dance schools include the Royal Ballet School, the Ballet Rambert School and the London School of Contemporary Dance which, with many private schools, have helped in raising British dance to its present standard. Dance is a subject for degree studies at a number of institutions, including the Laban Centre

(University of London), the University of Surrey, Dartington College of the Arts and Middlesex University.

Courses for students intending to work with community groups are available at three institutions. In 1991 the Royal Ballet announced a scheme to widen access to ballet training for children from a broader range of backgrounds, including ethnic minorities.

National Dance Agencies

In order to strengthen support for professional dance throughout the country, six national dance agencies have been set up in Birmingham, Leeds, Leicester, London, Newcastle upon Tyne and Swindon. The agencies, which receive Arts Council support, offer classes and workshops, provide information and advice, help to co-ordinate activities, and commission dance artists to create work.

Other Educational Schemes

The Arts Council runs Taped, a scheme to finance dance videos for use in education, while the Video Place provides a library of videotape documentation of dance performances for viewing by promoters, choreographers, dancers, teachers and students.

The Performing Arts and Technology School, which opened in Croydon, Surrey, in 1991, offers studies in drama, music and dance to pupils aged from 14 to 18, with the emphasis on the application of technology to the performing arts. The capital cost of £5.9 million is being shared between the Government (60 per cent) and the British phonographic industry (40 per cent).

Youth and Music, an organisation affiliated to the international Jeunesses Musicales, encourages attendance by young people at opera, dance and concert performances. Special performances of orchestral music for children include the Robert Mayer Concerts, held in London on Saturday mornings. All dance companies in receipt of funding from the Arts Council provide dance workshops and education activities. English National Ballet has a ballet

designed for 4 to 8 year olds; Ludus Dance Company, based in Lancaster, works mainly with young people; and Scottish Ballet Steps Out works in schools throughout Scotland.

Many children learn to play musical instruments at school, and some take the examinations of the Associated Board of the Royal Schools of Music. Music is one of the foundation subjects in the National Curriculum in publicly maintained schools in England and Wales. The National Youth Orchestras of Great Britain, of Scotland and of Wales and other youth orchestras have established high standards. Nearly a third of the players in the European Community Youth Orchestra come from Britain. There is also a National Youth Jazz Orchestra.

National Youth Music Theatre, which is based in London, gives young people between 11 and 18 the opportunity to perform music theatre under the guidance of professional directors and choreographers. All the work takes place in the school holidays.

The National Youth Dance Company and National South Asian Dance Youth Company provide opportunities for talented young dancers to work with experienced professionals and to create and perform dance throughout the country.

FILMS

British films, actors, and the creative and technical services supporting them are widely acclaimed at international film festivals and other events. British performers who enjoy international reputations include Sir Dirk Bogarde, Sean Connery, Michael Caine, Anthony Hopkins, Kenneth Branagh, Jeremy Irons, Dudley Moore, Michael York, Bob Hoskins, Alan Rickman, Emma Thompson and Greta Scacchi.

Besides feature films, including co-productions with other countries, the industry produces films for television as well as promotional, advertising, industrial, scientific, educational and training films.

There are approximately 1,640 cinema screens in Britain and estimated attendances are currently running at about 1.7 million a week. Seating capacity in cinemas increased during the late 1980s to around 318,000 by

1991. This has been due almost entirely to the increase in the number of multi-screen cinema complexes. Cinemas with five or more screens accounted for 31 per cent of all screens in Britain in 1991, compared with 12 per cent in 1988.

Cinema admissions in 1991 totalled an estimated 100.6 million—nearly 50 per cent more than in 1984. The resurgence in attendance figures can be attributed partly to the rapid growth in the rental and sale of video films, which has stimulated not only an interest in films generally but also a wish to see popular films in their original medium. There has been a growth in recent years in the number of grant-aided regional film theatres and film societies offering alternative programmes to those of the commercial cinema chains.

Animation

The recent resurgence of interest in the cartoon film in Britain is due in great part to the pioneering work of British animators, who have created 3D animation and computer animation. Television has proved an important source of production finance, commissioning animated films for adult audiences, and has fostered the work of Nick Park, Peter Lord, David Sproxton, Tim Burton and John Lasseter. Two British films, *Creature Comforts* by Aardman Animations, and *Manipulation*, directed by Daniel Greaves, won Oscars in 1991 and 1992 respectively.

Government Support for the Film Industry

An annual government grant (almost £15 million for 1992–93) is made to the British Film Institute and one of nearly £800,000 to the Scottish Film Council and the Scottish Film Production Fund. In 1990 the Government agreed to provide £5 million over three years to help British film producers wishing to enter European co-production.

In 1991 the British Film Commission was launched, with government funding of £3.5 million over four years. The Commission aims to attract film productions from overseas by offering a service to assist film-makers.

British Screen Finance, a private sector company with shareholders from the film and television industries, provides a source of finance for new film-makers with commercially viable productions who have difficulty in attracting funding. The company, investing its own money together with contributions from the Government, part-finances the production of low- and medium-budget films involving largely British talent. The company also operates schemes to encourage the early stages of film project development and the production of short films. In 1989 the Government agreed to provide funding of £6 million over three years from 1991.

British Film Institute

The development of film, video and television as art forms is promoted by the British Film Institute (BFI), founded in 1933, and in Scotland by the Scottish Film Council. The Institute offers some direct financial and technical help through its Production Board to new and experienced film-makers.

It runs the National Film Theatre in London and the National Film Archive, and has the world's largest library of information on film and television. The Institute holds extensive international collections of books, periodicals, scripts, stills and posters. Its Education Department aims to enable as many people as possible to discover new ways of producing and enjoying film, video and television.

The National Film Archive contains over 200,000 films and television programmes, including newsreels, dating from 1895 to the present. BFI South Bank comprises the Museum of the Moving Image, which traces the history of film and television, and the National Film Theatre. The latter has three cinemas showing films of historical, artistic or technical interest, and is unique in offering regular programmes unrestricted by commercial considerations. In November each year it hosts the London Film Festival, at which some 250 new films from all over the world are screened.

The British Film Institute has promoted,

and helps to fund, the development of some 40 regional film theatres, with around 50 screens; and is involved in establishing film and television centres with a range of activities and facilities in a number of major cities. It also co-operates with the regional arts boards and grant-aids their film activities. In 1991 the Institute raised almost £7 million—nearly half its income—from its operations.

The Welsh Arts Council acts as the Institute's agent in Wales. In Scotland the Scottish Film Council supports regional film theatres, administers the Scottish Film Archive, and promotes and provides material for media education. Together with the Scottish Arts Council, it has set up the Scottish Film Production Fund, which makes grants towards film production in Scotland. The BFI is working with the newly established Northern Ireland Film Council. Grants in Northern Ireland are made by the Arts Council of Northern Ireland.

Children's Film

The Children's Film and Television Foundation produces and distributes entertainment films specially designed for children. These are shown largely through video and television.

The Children's Film Unit, which has received funding from the Children's Film and Television Foundation, was founded in 1981. The Unit makes feature films for children and runs weekly workshops for children on all aspects of film-making. The unit caters for about 50 children at any time and has produced 14 feature films.

Training in Film Production

The National Film and Television School is financed jointly by the Government and by the film, video and television industry. It offers postgraduate and short course training for directors, editors, camera operators, animators and other specialists. The School enrolls about 30 full-time students a year and about 500 on short course programmes. In 1992–93 it is receiving a government

grant of £1.85 million. The School is being encouraged to reduce its reliance on government support by increasing the level of contributions from the industry it serves, as well as its earned income.

Training in film production is also given at the London International Film School, the Royal College of Art, and at some universities and other institutions of higher education.

Cinema Licensing and Film Classification

Cinemas showing films to the public must be licensed by local authorities, which have a legal duty to prohibit the admission of children under 16 to unsuitable films, and may prevent the showing of any film. In assessing the suitability of films the authorities normally rely on the judgment of an independent non-statutory body, the British Board of Film Classification, to which films offered to the public must be submitted. The Board was set up on the initiative of the cinema industry to ensure a proper standard in films shown to the public. It does not use any written code of censorship, but can require cuts to be made before granting a certificate; on rare occasions, it refuses a certificate.

Films passed by the Board are put into one of the following categories:

- U, meaning universal—suitable for all;
- PG, meaning parental guidance, in which some scenes may be unsuitable for young children;
- 12, 15 and 18, for people of not less than 12, 15 and 18 years of age respectively; and
- Restricted 18, for restricted showing only at segregated premises to which no one under 18 is admitted—for example, licensed cinema clubs.

Videos

The British Board of Film Classification is also legally responsible for classifying videos. The system of classification is similar to that for films. It is an offence to supply

commercially a video which has not been classified or to supply it in contravention of its classification—for example, to sell or hire a video classified 18 to a person under the age of 18.

VISUAL ARTS

State support for the visual arts consists largely of maintenance and purchase grants for the national museums and galleries, purchase grants for municipal museums and galleries, and funding through local authorities, the Museums and Galleries Commission and the area museum councils (see p 408). It also includes funding for living artists channelled through the Arts Councils, the Crafts Council and the regional arts boards, and grants towards the cost of art education. The Government encourages high standards of industrial design and craftsmanship through grants to the Design Council.

All national museums and galleries are financed chiefly from government funds. They may levy entrance charges to their permanent collections, special exhibitions and outstations at their discretion. Government policy is to give priority to the conservation of the buildings and collections of the national institutions rather than to increase purchase grants for acquisitions. All the national collections are managed by independent trustees.

Museums and art galleries maintained by local authorities, universities, independent museums and private benefactions may receive help in building up their collections through annual government grants administered by the Museums and Galleries Commission (for England and Wales) and the Scottish Museums Council. Financial and practical assistance to both national and local museums and galleries is also given by the Arts Council and by trusts and voluntary bodies, including the Calouste Gulbenkian Foundation, the National Art Collections Fund and the Contemporary Art Society.

Pre-eminent works of art accepted by the Government in place of inheritance tax are allocated to public galleries. Financial help may be available from the National Heritage

Memorial Fund (see p 396), which is being allocated £5.5 million by the Department of National Heritage in 1992–93. In recent years the Fund has made important contributions towards pictures bought by the Birmingham, Leeds and Manchester City Art Galleries, and by the national galleries and museums.

In co-operation with regional arts boards, the Arts Council makes grants towards the public display of the visual arts, especially contemporary and experimental works, and the publication of books and magazines. It also encourages the commissioning of works of art in public places. The South Bank Board maintains a collection of contemporary British art and organises touring exhibitions throughout the country on behalf of the Arts Council. The Council supports a number of art and photography galleries in London, including the Hayward Gallery, Serpentine Gallery, Photographers' Gallery and Whitechapel Art Gallery; and in the regions, the Arnolfini in Bristol and the Museum of Modern Art in Oxford. It also provides support for artists and photographers through purchasing and commissioning fellowships and residencies. Similar support is given by the Scottish Arts Council to galleries in Scotland. The Welsh and Northern Ireland Arts Councils have galleries in Cardiff and Belfast respectively.

A number of modern British sculptors and painters have international reputations, and have received international prizes and commissions for major works in foreign cities. Among the best known are David Hockney, Lucian Freud, Eduardo Paolozzi and Elizabeth Frink.

Museums and Art Galleries

A major expansion in the number of museums is taking place and many are introducing new display techniques that attract increasing numbers of visitors. About 100 million people a year, across all social groups, attend some 2,500 museums and galleries open to the public, which include the major national collections and a wide variety of municipally and independently or privately owned institutions.

Government provision for the national museums and galleries is £192 million in

1992–93. The Museums and Galleries Improvement Fund, which is jointly financed by the Government and the Wolfson Trusts, is providing an annual budget of £4 million over five years from 1991–92 for refurbishing museums and galleries. The Fund is already supporting over 100 projects at national and other museums and galleries. Projects include work in Glasgow, Merthyr Tydfil, Lisburn, Newcastle upon Tyne, Liverpool, Bristol and Portsmouth.

The Government takes advice on policy matters from the Museums and Galleries Commission. The Commission also promotes co-operation between national and provincial institutions. Nine area museum councils supply technical services and advice on conservation, display, documentation and publicity.

The Government encourages the loan of objects from national and provincial museums and gallery collections so that works of art can be seen by as wide a public as possible. It provides funds for promoting the touring of exhibitions and for facilitating the loan of items between institutions.

The Museum Training Institute is responsible for developing training standards and programmes.

Museums Association

The independent Museums Association, to which many museums and art galleries and their staffs belong, and which has many overseas members, facilitates exchange of information and discussion of matters relating to museums and galleries. It provides training, seminars and research; its publications include the monthly *Museums Journal*.

National Collections

The national museums and art galleries, many of which are located in London, contain some of the world's most comprehensive collections of objects of artistic, archaeological, scientific, historical and general interest. They are the British Museum (including the Museum of Mankind), the Natural History Museum, the

Victoria and Albert Museum (V&A), the Science Museum, the National Gallery, the Tate Gallery, the National Portrait Gallery, the Imperial War Museum, the National Army Museum, the Royal Air Force Museum, the National Maritime Museum, the Wallace Collection, the Geological Museum and the National Museums and Galleries on Merseyside. An extension to the National Gallery, the Sainsbury Wing, opened in 1991. A gift from the Sainsbury family, it provides a venue for major international touring exhibitions and other events.

Some of the museums in London have branches in the regions, examples being the National Railway Museum (York) and the National Museum of Photography, Film and Television (Bradford), which are part of the Science Museum. The Tate Gallery opened a branch in Liverpool in 1988, and is planning to open another in St Ives, Cornwall, while the V&A plans to open a branch in Bradford. A purpose-built museum to house much of the Royal Armouries collection is planned to open in Leeds's Clarence Dock in 1996 and the Imperial War Museum is to open a branch in Hartlepool, Teesside.

Some of the national museums' and galleries' acquisitions in 1991 include:

- Snettisham treasure trove: the largest hoard of gold and silver ever found in Britain—British Museum;
- the Scott Johnson collection of Japanese illustrated books and albums—British Museum;
- *Rain*, by Howard Hodgkin—Tate Gallery;
- The Lord Sandwich Papers—National Maritime Museum; and
- *Ulysses Shooting through the Ring*, by Francesco Primaticcio—National Museums and Galleries on Merseyside.

In Scotland the national collections are held by the National Museums of Scotland and the National Galleries of Scotland. The National Museums of Scotland include the

Royal Museum of Scotland and the Scottish United Services Museum, both in Edinburgh; the Museum of Flight, near North Berwick; the Scottish Agricultural Museum, at Ingliston; and the Shambellie House Museum of Costume, near Dumfries. A new Museum of Scotland is to be built next to the Royal Museum to house the National Museums' Scottish collection. The National Galleries of Scotland comprise the National Gallery of Scotland, the Scottish National Portrait Gallery and the Scottish National Gallery of Modern Art.

The National Museum of Wales (where a major expansion scheme is in progress), in Cardiff, has a number of branches including the Welsh Folk Museum at St Fagans; the Industrial and Maritime Museum in Cardiff's dockland; Amgueddfa'r Gogledd (the Slate Museum) at Llanberis; and the Museum of the Woollen Industry at Drefach Velindre. Northern Ireland has two national museums: the Ulster Museum in Belfast and the Ulster Folk and Transport Museum in County Down.

Other Collections

Other important collections in London include the Royal Armouries in the Tower of London, the Museum of London, Sir John Soane's Museum, the Courtauld collection and the London Transport Museum. The Queen's Gallery in Buckingham Palace has exhibitions of pictures from the extensive royal collections.

Most cities and towns have museums devoted to art, archaeology and natural history, usually administered by the local authorities but sometimes by local learned societies or by individuals or trustees. Both Oxford and Cambridge are rich in museums. Many are associated with their universities, such as the Ashmolean Museum in Oxford (founded in 1683—the oldest in the world), and the Fitzwilliam Museum in Cambridge. Many private art collections in historic family mansions, including those owned by the National Trusts, are open to the public, while an increasing number of open air museums depict the regional life of an area or preserve early industrial remains. These include the

Weald and Downland Museum in West Sussex, the North of England Open Air Museum in Durham, and the Ironbridge Gorge Museum in Shropshire. Skills of the past are revived in a number of 'living' museums like the Gladstone Pottery Museum near Stoke-on-Trent and the Quarry Bank Mill at Styal in Cheshire.

Among the more recent museums are the National Horseracing Museum at Newmarket; the Jorvik Viking Centre, a reconstruction of the Viking settlement in York; a new maritime museum in Portsmouth, housing the restored wreck of the *Mary Rose*, the flagship of Henry VIII, which sank in 1545 and was raised in 1982; and Eureka, the first museum designed specifically for children, which opened in Halifax, West Yorkshire, in July 1992. The Burrell Collection in Glasgow houses world-famous tapestries, paintings and objets d'art. The Design Museum, which opened in London's Docklands in 1990, houses exhibits charting changes in design and technology. Apart from their permanent collections, most museums and galleries stage temporary exhibitions on particular themes. There are also a number of national art exhibiting societies, the most famous being the Royal Academy of Arts at Burlington House. The Academy holds an annual Summer Exhibition, where the works of hundreds of professional and amateur artists can be seen, and important exhibitions during the rest of the year. The Royal Scottish Academy holds annual exhibitions in Edinburgh. There are also children's exhibitions, including the National Exhibition of Children's Art.

Crafts

Government aid for the crafts, amounting to £2.9 million in 1992-93, is administered in England and Wales by the Crafts Council. The Council supports craftsmen and women by promoting public interest in their work, and encouraging the creation and conservation of articles of contemporary craftsmanship. Grants are available to help with setting up workshops and acquiring equipment. The Council arranges exhibitions, crafts fairs and seminars, and circulates

information. It also runs a gallery in London and a crafts shop at the Victoria and Albert Museum. Funding is given to the Welsh Arts Council and the regional arts boards in England for the support of crafts, and to Contemporary Applied Art, a membership organisation that holds exhibitions and sells work through its London gallery.

New arrangements for the support of crafts in Scotland came into effect in 1991. A wide range of commercial services is now provided by a company, Made in Scotland, while training and business development support is provided by two new government-funded bodies, Scottish Enterprise and Highlands and Islands Enterprise, each with a network of Local Enterprise Companies led by the private sector.

In 1991 Britain's craft economy had an estimated annual turnover of £200 million.

Training in Art and Design

Most practical education in art and design is provided in colleges of art (among the best known of which are the Slade School and the Royal College of Art, both in London), further education colleges and private art schools. Degrees at postgraduate level are awarded by the Royal College of Art. Art is also taught at an advanced level at the four Scottish Central (Art) Institutions.

Courses at universities and polytechnics concentrate largely on academic disciplines such as the history of art. The leading institutions include the Courtauld and Warburg Institutes of the University of London and the Department of Classical Art and Archaeology at University College, London. Art is one of the foundation subjects in the National Curriculum in publicly maintained schools in England and Wales; and the Society for Education through Art encourages, among other activities, the purchase by schools of original works of art by organising an annual Pictures for Schools exhibition.

The Open College of the Arts offers correspondence courses in art and design, painting, sculpture, textiles, photography and creative writing to people wishing to study at home.

Export Control of Works of Art

London is a major centre for the international art market, and sales of works of art take place in the main auction houses (two of the longest-established being Sotheby's and Christie's), and through private dealers. Certain items are covered by export control. These are:

- works of art and collectors' items over 50 years old and worth £20,000 or more (£5,000 or more in the case of British historical portraits);
- photographic material over 50 years old and valued at £500 or more an item; and
- documents, manuscripts and archives over 50 years old, irrespective of value.

A licence from the Department of National Heritage is required before such items can be exported. If the Department's advisers recommend withholding a licence, the matter is referred to the Reviewing Committee on the Export of Works of Art. If the Committee considers a work to be of national importance it can advise the Government to withhold the export licence for a specified time to give a public museum, art gallery, or private collector an opportunity to buy at a fair price. In 1991 the Committee published a review of the present system of export control, following which the Government decided against listing important paintings and other heritage objects to prevent them from being exported.

With the completion of the European single market in January 1993, there is concern that the removal of customs barriers for intra-community trade may facilitate the illicit export of national treasures. Discussions on methods of preventing this are in progress among the member states of the Community.

LITERATURE AND LIBRARIES

A number of literary activities receive public subsidy through the Arts Council. In 1990, for example, the Council sponsored its first international writers' tour, and contributed to an innovative television series on modern poetry. It continues to foster an interest in

writing from diverse cultures through its support for translations and black publishing.

There are free public libraries throughout Britain, private libraries and several private literary societies. Book reviews are featured in the press and on television and radio, and numerous periodicals concerned with literature are published. Recognition of outstanding literary merit is provided by a number of awards, some of the most valuable being the Booker, National Cash Register and Whitbread prizes. Awards to encourage young writers include those of the Somerset Maugham Trust Fund and the E. C. Gregory Trust Fund. Many British writers are internationally recognised and in 1983 the Nobel prize for literature was awarded to the novelist Sir William Golding. Other well-known living novelists include Sir Kingsley Amis, Anthony Burgess, A.S. Byatt, Penelope Lively and Fay Weldon. Distinguished British poets include Ted Hughes, the Poet Laureate; Geoffrey Hill; Tony Harrison; James Berry; Gavin Ewart; and Elizabeth Jennings.

Authors' Copyright and Performers' Protection

Original literary, dramatic, musical or artistic works, films, sound recordings and broadcasts are automatically protected in Britain. This protection is given to foreign works under the terms of international conventions. The copyright owner has rights against unauthorised reproduction, public performance, broadcasting and issue to the public of his or her work; and against dealing in unauthorised copies. In most cases the author is the first owner of the copyright, and the term of copyright is the life of the author and a period of 50 years after death (50 years from the year of release for films and sound recordings and 50 years from the year of broadcast for broadcasts).

The Copyright, Designs and Patents Act 1988 reformed and restated copyright law and introduced the concept of moral rights, whereby authors have the right to be identified on their works and to object to derogatory treatment of them. The Act introduced a statutory framework of civil

rights to protect performers against making and trading in unauthorised recordings of live performance, the term of protection for these rights being 50 years from the year in which the performance is given.

Literary and Philological Societies

Societies to promote literature include the English Association and the Royal Society of Literature. The leading society for studies in the humanities is the British Academy for the Promotion of Historical, Philosophical and Philological Studies (the British Academy).

Other specialist societies are the Early English Text Society, the Bibliographical Society and several societies devoted to particular authors, the largest of which is the Dickens Fellowship. Various societies, such as the Poetry Society, sponsor poetry readings and recitals.

Libraries

The British Library

The British Library, the national library of Britain, is one of the world's greatest libraries. Its collections comprise over 18 million items—monographs, manuscripts, maps, newspapers, patents, stamps and recorded sound. Publishers must deposit there a copy of most items published or available in Britain.

The National Bibliographic Service processes material legally deposited at the Library for inclusion in catalogues and maintains a machine-readable database of bibliographical records from which is derived the British National Bibliography (a list of new and forthcoming British books) and a range of automated bibliographical services.

The Research and Development Department is a major source of funding for research and development in library and information services.

The Library's Document Supply Centre at Boston Spa (West Yorkshire) is the national centre for inter-library lending within Britain and between Britain and countries overseas. It supplies 3.5 million requests a year, mostly

from its own stock of 7 million documents.

In 1990 the Library set up the self-supporting Centre for the Book, to promote awareness of books and their role in British life, past and present.

The Library's new London headquarters at St Pancras is being built at a cost of £450 million, and will be open to the public from 1994. It will provide reading rooms for most of the Library's London-based collections—humanities, science, technology and industry—and also specialist reading areas. The new Library aims to offer greatly improved services, including exhibition galleries, a bookshop, a lecture theatre and a conference centre.

Other Libraries

The National Libraries of Scotland and Wales, the Bodleian Library of Oxford University and the Cambridge University Library can also claim copies of all new British publications under legal deposit. The first phase of a new building for the National Library of Scotland was opened in 1989. Costing £11.5 million, it provides 49 km (30 miles) of storage shelving and accommodates a map library, lending services and the Scottish Science Library. Work on the second stage began in 1991, for completion in 1994.

Some of the national museums and government departments have important libraries.

- The Public Record Office in London and in Kew, Surrey, houses the records of the superior courts of law of England and Wales and of most government departments, as well as famous historical documents. The Office has many millions of documents, dating from the time of the Norman Conquest to the present day. Public records, with few exceptions, are available for inspection by members of the public 30 years after the end of the year in which they were created.
- The Scottish Record Office in Edinburgh and the Public Record Office of Northern Ireland, Belfast, serve the same purpose.

Besides a number of great private collections, such as that of the London Library, there are the rich resources of the learned societies and institutions. Examples are the libraries of the Royal Institute of International Affairs, the Royal Geographical Society, the Royal Academy of Music, the National Library for the Blind and the Book Trust. The Poetry Library, owned by the Arts Council, is a national collection of twentieth century poetry written in or translated into English.

University Libraries

The university libraries of Oxford and Cambridge are unmatched by those of the more recent foundations. However, the combined library resources of the colleges and institutions of the University of London total 9 million volumes, the John Rylands University Library in Manchester contains 3.4 million volumes, Edinburgh 2 million, Leeds 1.8 million, and Birmingham, Glasgow, Liverpool and Aberdeen each have over 1 million volumes. Many universities have important research collections in special subjects; examples include the Barnes Medical Library at Birmingham and the British Library of Political and Economic Science at the London School of Economics.

Special Libraries

Numerous associations and commercial and industrial organisations run library and information services. Although most are intended primarily for use within the organisation, many special libraries can be used, by arrangement, by people interested in the area covered, and the specialist publications held are often available for inter-library lending.

Public Libraries

Local authorities in Great Britain and education and library boards in Northern Ireland have a duty to provide a free lending and reference library service in their areas, and Britain's network of libraries has a total stock of about 156.7 million books. Public

libraries issue an average of ten books a year for every person in Britain. Sixty per cent of these are works of fiction for adults. Over half of the total population are members of public libraries. Some areas are served by mobile libraries, and domiciliary services cater for people unable to visit a library. Many libraries have collections of compact discs, records, audio- and video-cassettes, and musical scores for loan to the public, while a number also lend from collections of works of art, which may be originals or reproductions. Most libraries hold documents on local history, and nearly all provide children's departments, while reference and information sections and art, music, commercial and technical departments meet the growing and more specific demands in these fields. The information role is one of increasing importance for many libraries, and greater use is being made of information technology, including microcomputers and reference databases.

The Government remains committed to providing a free basic library service—the borrowing and consultation of books and other printed materials—but believes there is scope for greater private sector involvement. Under the Public Library Development Incentive Scheme it makes available £250,000 a year to encourage new developments and increase efficiency in public library services in England. Priority is given to projects involving collaboration with other libraries and the private sector.

Public library authorities charge for some services, such as research services and the lending of non-printed materials, including cassettes and records.

The Public Lending Right Scheme, introduced in 1979, gives registered authors the right to receive payment from a central fund (totalling £4.75 million in 1992–93) for the use of their books borrowed from public libraries in Britain. Payment is made in proportion to the number of times the authors' books are lent out.

The Government is advised on library and information matters by four library and information services councils or committees, representing England, Wales, Scotland and Northern Ireland.

A government review of the range of services provided by public libraries in England is in progress, while a consultation paper on the feasibility of competitive tendering for public library support services has been issued. Support services include running the network of service points in branches, mobile libraries and for specialist groups such as the housebound, and maintaining specialist collections.

The Library Association

The Library Association is the principal professional organisation for those engaged in library and information services. Founded in 1877, the Association has 25,000 members working in all kinds of libraries and information units. It maintains a Register of Chartered Librarians and publishes books, pamphlets and an official journal.

The Library Association is the designated authority for the recognition of qualifications gained in other member states of the European Community.

Historical Manuscripts

The Royal Commission on Historical Manuscripts is the central investigatory and advisory body on manuscripts, records and archives other than the public records. It maintains the National Register of Archives and advises owners, custodians and government, assists researchers and co-ordinates the activities of bodies working in the field. It also publishes a series of *Guides to Sources for British History*.

The National Manuscripts Conservation Trust, established in 1989 with government assistance of £300,000, provides grants to record offices, libraries and other owners of manuscripts and archives accessible to the public. Matching amounts of money are

found from other sources, including the beneficiaries.

Books

In 1991 British publishers issued over 67,700 separate titles, of which 48,300 were new titles and the remainder reprints and new editions. The British publishing industry devotes much effort to developing overseas markets, and in 1991 the value of exports of British books amounted to £626 million. The industry is also noted for its exploitation of new technological developments, including electronic publishing and the development of software for educational and other purposes.

Mail order book clubs offering discounts on monthly or quarterly offers of books to members have made a significant contribution to the number of books bought by the British public.

Among the leading organisations representing publishing and distribution interests are the Publishers Association, which has 170 members, representing over 350 separate publishing companies; and the Booksellers' Association, with 3,250 members. The Publishers Association, through its associated body the Book Development Council, promotes the export of British books worldwide.

The British Council (see p 398) publicises British books through its libraries overseas, participation in international book fairs and a programme of travelling exhibitions. The Council also publishes a monthly periodical, *British Book News*.

The Book Trust, whose membership includes authors, publishers, booksellers, librarians and readers, encourages an interest in reading, especially among young people, and arranges exhibitions throughout Britain.

23 The Press

More daily newspapers, national and regional, are sold for every person in Britain than in most other developed countries. On an average day two out of three people over the age of 15 read a national morning newspaper; about three out of four read a Sunday newspaper.

Three out of four adults regularly read a paid-for regional or local newspaper as well as a free local paper. National papers have a total circulation of 14.2 million on weekdays and 16.2 million on Sundays, although the total readership is considerably greater. There are about 130 daily (Monday to Saturday) and Sunday newspapers, over 2,000 weekly paid-for and free newspapers (including business, sporting and religious newspapers), and 7,000 periodical publications.

There is no state control or censorship of the press, but it is subject to the general laws on publication (see p 424). In 1991, following recommendations in the Calcutt Report on privacy and related matters (see p 423), the Press Complaints Commission was set up by the newspaper and periodicals industry in what was seen as a final attempt to make self-regulation of the press work properly. These measures were prompted by growing criticism of press standards, with allegations of unjustified invasion of privacy and inaccurate and biased reporting, among other abuses, resulting in calls for government regulation of the press.

The press caters for a variety of political views, interests and levels of education. Newspapers are almost always financially independent of any political party. Where they express pronounced views and show obvious political leanings in their editorial comments, these derive from proprietorial and other non-party influences. Nevertheless, during general election campaigns many newspapers recommend their readers to vote

for a particular political party. Even newspapers which adopt strong political views in their editorial columns include feature and other types of articles by authors of a variety of political persuasions. In order to preserve their character and traditions, some newspapers and periodicals are governed by trustee-type arrangements. Others have management arrangements to ensure their editors' authority and independence.

In recent years working practices throughout the newspaper industry have undergone profound changes in response to the challenges posed by computer-based technology and the need to contain costs. Newsprint, about three-quarters of which is imported, forms about a quarter of average national newspaper costs; labour represents over half. In addition to sales, many newspapers and periodicals derive considerable earnings from their advertising. Total yearly spending of around £4,800 million on press advertising makes the press by far the largest advertising medium in Britain. Unlike most of its European counterparts the British press receives no subsidies and relatively few tax and postal concessions.

In discussions on a 'new world information and communication order' Britain has opposed measures designed to increase governmental regulation of the media or limit the free flow of information. At the same time, it has reaffirmed its willingness to support efforts to improve communications systems in the developing world.

Newspaper Ownership

Ownership of the national, London and regional daily newspapers is concentrated in the hands of a number of large press

Table 23.1: National Newspapers

Title and foundation date	Controlled by	Circulation ^a average January-June 1992
National dailies		
'Populars'		
<i>Daily Express</i> (1900)	United Newspapers	1,537,726
<i>Daily Mail</i> (1896)	Associated Newspapers Group	1,688,808
<i>Daily Mirror</i> (1903)	Mirror Group Newspapers (1986)	2,868,263
<i>Daily Star</i> (1978)	United Newspapers	808,486
<i>Morning Star</i> (1966)	Morning Star Co-operative Society	7,000
<i>The Sun</i> (1964)	News International	3,588,077
<i>Today</i> (1986)	News International	495,405
'Qualities'		
<i>Financial Times</i> (1888)	Pearson	291,915
<i>The Daily Telegraph</i> (1855)	The Daily Telegraph	1,043,703
<i>The Guardian</i> (1821)	The Guardian and Manchester Evening News	418,026
<i>The Independent</i> (1986)	Newspaper Publishing	376,532
<i>The Times</i> (1785)	News International	390,323
National Sundays		
'Populars'		
<i>News of the World</i> (1843)	News International	4,725,427
<i>Sunday Express</i> (1918)	United Newspapers	1,691,716
<i>Sunday Mirror</i> (1963)	Mirror Group Newspapers (1986)	2,768,470
<i>The Mail on Sunday</i> (1982)	Associated Newspapers Group	1,960,130
<i>The People</i> (1881)	Mirror Group Newspapers (1986)	2,129,592
'Qualities'		
<i>Sunday Telegraph</i> (1961)	The Daily Telegraph	561,533
<i>The Independent on Sunday</i> (1990)	Newspaper Publishing	385,142
<i>The Observer</i> (1791)	Lonrho International	540,918
<i>The Sunday Times</i> (1822)	News International	1,202,651

^a Circulation figures are those of the Audit Bureau of Circulations (consisting of publishers, advertisers and advertising agencies) and are certified average daily or weekly net sales for the period. The circulation figure of the *Morning Star* is otherwise audited.

publishing groups. The groups controlling the national press are listed in Table 23.1. There are also some 100 independent regional and local newspaper publishers.

Although most enterprises are organised as limited liability companies, individual and partner proprietorship survives. The large national newspaper and periodical publishers are major corporations with interests ranging over the whole field of publishing and communications. Some have shares in independent television and radio companies, while others are involved in industrial and commercial activities.

The law provides safeguards against the risks inherent in undue concentration of the means of communication. It is unlawful without government consent to transfer a newspaper or newspaper assets to a proprietor whose newspapers have an average daily circulation amounting, with that of the newspaper to be taken over, to 500,000 or more copies. Except in certain limited cases, consent may be given only after the President of the Board of Trade has referred the matter to the Monopolies and Mergers Commission and received its report.

Under the Broadcasting Act 1990 (see p 426) no proprietor of a national newspaper or local newspaper is allowed more than a 20 per cent interest in direct broadcasting by satellite channels, independent television Channels 3 and 5, and national and local radio.

The National Press

Twelve morning daily papers and nine Sunday papers (see Table 23.1) circulate throughout most parts of Britain, and are thus referred to as national newspapers. Formerly they were produced in or near Fleet Street in London with, in some cases, northern editions being printed in Manchester. All of the national papers have now moved their editorial and printing facilities to other parts of London (including Docklands) or away from the capital altogether; some use contract printing. *Today* newspaper is printed both at Poyle (Middlesex) and Manchester. *The Independent* uses printing presses in Bradford,

Northampton and Portsmouth. Scottish editions of *The Sun*, *The Times*, *News of the World* and *The Sunday Times* are printed in Glasgow.

In order to improve distribution and sales overseas, editions of the *Financial Times* are printed in Frankfurt, Roubaix (northern France), New Jersey and Tokyo, while *The Guardian* prints an international edition in Frankfurt. *The European*, a weekly English-language international newspaper, is printed in Britain, France, Germany and Hungary.

Several newspapers have had very long and distinguished histories. *The Observer*, for example, first published in 1791, is the oldest national Sunday newspaper in the world, and *The Times*, one of the most influential newspapers and Britain's oldest daily national newspaper, began publication in 1785.

National newspapers are often thought of as either 'quality' or 'popular' papers on the basis of differences in style and content. Five dailies and four Sundays are usually described as 'quality' newspapers. Quality papers are directed at readers who want full information on a wide range of public matters and are prepared to spend a considerable amount of time reading them. Popular newspapers appeal to people wanting news of a more entertaining character, presented in a more concise form and with ample illustrations. For the most part, quality papers are broadsheet (large-sheet) in format and popular papers tabloid (small-sheet).

Many newspapers are printed in colour and a number produce colour magazines as part of the Saturday or Sunday paper. Several of the Sunday newspapers, and some of the dailies on Saturday, publish supplements with articles on travel, food and wine, and other leisure topics.

The leading Scottish papers, *The Scotsman* and the *Herald*, have considerable circulations outside Scotland.

There is a growing market for news and information in the electronic media, and quality papers like the *Financial Times* provide material for use on databases and videotext services such as Prestel. *The Times* supplies a news service to British Sky Broadcasting (BSkyB), a direct satellite broadcasting company under the same ownership.

Regional Newspapers

There are more than 100 morning, evening and Sunday newspapers throughout Britain, and nearly 1,600 weekly paid-for and free distribution newspapers, publishing mainly regional and local news. The morning newspapers also cover national and international affairs.

England

Of the morning papers the *Yorkshire Post* (Leeds), the *Northern Echo* (Darlington) and the *Eastern Daily Press* (Norwich), each has a circulation of over 83,000, and two provincial Sunday papers—the *Sunday Sun* (Newcastle upon Tyne) and the *Sunday Mercury* (Birmingham)—sell 117,800 and 151,900 copies respectively. Circulation figures of evening papers start at about 10,000 and most are in the 20,000 to 100,000 range. Those with much larger sales include the *Manchester Evening News* (241,300), *Wolverhampton's Express and Star* (228,000), the *Birmingham Evening Mail* (203,500), and the *Liverpool Echo* (184,000). Paid weekly papers have a mainly local appeal and most have circulations in the 5,000 to 60,000 range.

The weekly *Berrow's Worcester Journal* claims to be the world's oldest newspaper in continuous circulation, having been established in 1690.

London has one evening newspaper, the *Evening Standard*, with a circulation of 528,700. It covers national and international news as well as local affairs. A number of evening newspapers are published in the outer metropolitan area. Local weeklies include papers for every district in Greater London, often in the form of local editions of an individual paper.

Wales

Wales has one daily morning newspaper, the *Western Mail*, published in Cardiff, with a circulation of 76,200 throughout Wales. In north Wales the *Daily Post*, published in Liverpool, gives wide coverage to events in

the area. *Wales on Sunday*, published in Cardiff, has a circulation of 53,100. Evening papers published in Wales are the *South Wales Echo*, Cardiff; the *South Wales Argus*, Newport; the *South Wales Evening Post*, Swansea; and the *Evening Leader*, Wrexham. Their circulation range is between 32,500 and 80,900. North Wales is also served by the *Liverpool Echo*, and the *Shropshire Star* covers parts of north and mid-Wales. There is also coverage to a smaller extent by the *Manchester Evening News*.

The weekly press (82 publications) includes English-language papers, some of which carry articles in Welsh; bilingual papers; and Welsh-language papers. Welsh community newspapers receive an annual grant as part of the Government's wider financial support for the Welsh language.

Scotland

Scotland has six morning, six evening and four Sunday newspapers. Local weekly newspapers number 115. The daily morning papers, with circulations of between 85,900 and 740,000, are *The Scotsman* (published in Edinburgh); the *Herald*; the *Daily Record* (sister paper of the *Daily Mirror*); the *Dundee Courier and Advertiser*; the *Aberdeen Press and Journal*; the *Scottish Daily Express* (printed in Manchester), and the Scottish edition of *The Sun*. The daily evening papers have circulations in the range of 10,400 to 164,330 and are the *Evening News* of Edinburgh, Glasgow's *Evening Times*, Dundee's *Evening Telegraph*, Aberdeen's *Evening Express*, the *Paisley Daily Express* and the *Greenock Telegraph*.

The Sunday papers are the *Sunday Mail*, the *Sunday Post*, the *Scottish Sunday Express* (printed in Manchester) as well as a quality broadsheet paper, *Scotland on Sunday*, launched in 1988. The national Sunday newspapers *The Observer* and *The Sunday Times* carry Scottish supplements.

Northern Ireland

Northern Ireland has two morning newspapers, one evening and three Sunday papers, all published in Belfast, with

circulations ranging from 20,000 to 134,000. They are the *News Letter* (unionist), the *Irish News* (nationalist), the evening *Belfast Telegraph*, the *Sunday News*, *Sunday Life* and *Sunday World* (Northern Ireland edition).

There are about 45 weeklies. Newspapers from the Irish Republic, as well as the British national press, are widely read in Northern Ireland.

Free Distribution Newspapers

More than 750 free distribution newspapers, mostly weekly and financed by advertising, are published in Britain; over half are produced by established newspaper publishers. They have enjoyed rapid growth in recent years and now have an estimated total weekly circulation of about 37 million.

Ethnic Minority Publications

Over 60 newspapers and magazines in Britain are produced by members of the ethnic minorities. In the main these are published weekly, fortnightly or monthly. Two Chinese newspapers, *Sing Tao* and *Wen Wei Po*, the Urdu *Daily Jang* (see below) and the Arabic *Al-Arab*, however, are dailies.

The *Asian Times* and *Indiamail* are English language titles for people of Asian descent and are published weekly; the *Sikh Messenger* and *Sikh Courier* are both produced quarterly. Afro-Caribbean newspapers include *The Weekly Gleaner*, a local edition of the long-established *Jamaican Gleaner*, and *West Indian Digest*. The *Voice* and *Caribbean Times*, both weeklies, are aimed at the black population in general. *The Weekly Journal*, the first 'quality' broadsheet aimed at Britain's black community, was launched in April 1992. Leading ethnic language newspapers in Britain include the Urdu *Daily Jang*, an offshoot of the largest circulation paper in Pakistan, and the weekly *Gujarat Samachar*, a Gujarati tabloid. Publications also appear in Bengali (examples are the weeklies *Jagoran* and *Janomot*); in Hindi (the weeklies *Amar Deep*, *Hind Samachar* and *Navin Weekly*); and in Punjabi (the weeklies *Des Perdes* and *Punjab Darpan* and the monthlies *Rachna* and *Perdesan*).

British provincial newspaper groups are examining the possibility of printing special editions for their local populations. In 1989 the *Leicester Mercury* started publication of a daily Asian edition, incorporating news from the South Asian sub-continent, while in January 1992 *The People* produced the first national newspaper especially for the Asian community in Britain.

The Periodical Press

The 7,000 periodical publications are classified as 'consumer general interest', 'special interest' and 'business-to-business'. There are also several hundred 'house magazines' produced by industrial undertakings, business houses or public services for the benefit of their employees and/or clients. Directories and similar publications number more than 2,000. The 'alternative' press comprises a large number of titles, many of them devoted to radical politics, community matters, religion, the occult, science or ecology.

Consumer general and specialist periodicals comprise magazines for a wide range of interests. These include women's magazines; publications for children; religious periodicals; fiction magazines; magazines dealing with sport, motoring, gardening, teenage interests and pop music; hobbies; humour; retirement; and computer magazines. Also included are the publications of learned societies, trade unions, regiments, universities and other organisations.

The weekly periodicals with the highest sales have traditionally been *Radio Times* and *TV Times*, which carry full details of the forthcoming week's television and radio programmes, including the satellite schedules. The *Radio Times/TV Times* listings duopoly came to an end in early 1991, and the advent of competition has led to a reduction in the circulation figures of both magazines. In June 1992 the *Radio Times* had a circulation of 1.6 million, the *TV Times* one of 1.1 million. Rival publications include *TV Quick* and *What's on TV* (1.4 million). Of monthly magazines, *Reader's Digest* has the highest circulation (1.5 million).

Woman's Weekly, *Woman's Own*, *Woman*,

Weekly News (which sells mainly in Scotland), *Woman's Realm*, *My Weekly* and *Me* have circulations in the 400,000 to 900,000 range. In recent years several women's magazines from overseas have achieved large circulations: *Prima* and *Best*, for instance, each sell over 630,000 copies, while *Bella* and *Hello!* are also widely read. *Smash Hits*, with a circulation of 368,000, is a fortnightly magazine dealing with pop music and teenage lifestyles. *Viz*, a cartoon comic aimed at young adults, sells 922,000 copies.

The leading journals of opinion include *The Economist*, an independent conservative publication covering a wider range of topics than its title implies. The *New Statesman and Society* reviews social issues, politics, literature and the arts from an independent socialist point of view, and the *Spectator* covers similar subjects from an independent conservative standpoint. *Tribune* represents certain left-wing views within the Labour Party.

New Scientist reports on science and technology in terms that the non-specialist reader can understand. *Private Eye*, a satirical fortnightly, also covers public affairs. Weekly 'listings' magazines, including *Time Out* and *City Limits*, provide details of cultural and other events in London and other large cities.

Literary and political journals, and those specialising in international and Commonwealth affairs, appear monthly or quarterly, and generally appeal to the more academically oriented reader. Business, scientific and professional journals, whose publication ranges from twice weekly to quarterly, are an important aspect of British publishing and business communication, many having a considerable circulation overseas. There are about 4,600 publications covering business and industrial affairs.

New Printing Technology

The heavy production costs of newspapers and periodicals continue to encourage publishers to look for ways of reducing these costs, often by using advanced computer systems to control editing and production processes. The 'front end' or 'single stroking' system, for example, allows journalists or

advertising staff to input 'copy' directly into a video terminal, and then to transform it automatically into computer-set columns of type. Although it is possible for these columns to be assembled electronically on a page-sized screen, turned into a full page, and made automatically into a plate ready for transfer to the printing press, at present very few such systems are in operation. Most involve the production of bromides from the computer setting; these are then pasted up into columns before being placed in a plate-making machine.

The most advanced systems present opportunities for reorganisation which have implications throughout a newspaper office and may give rise to industrial relations problems. Generally, and most recently in the case of national newspapers, the introduction of computerised systems has led to substantial reductions in workforces, particularly, but not solely, among print workers.

All the national newspapers use computer technology, and its use in the provincial press, which has generally led the way in adopting new techniques, is widespread. Journalists key articles directly into, and edit them on, computer terminals; colour pictures and graphics are entered into the same system electronically. Where printing plants are some distance from editorial offices, pages are sent for printing by facsimile (fax) machine from typesetter to print plant. Other technological developments include the use of full-colour printing, and a switch from traditional letterpress printing to the web-offset litho or plastic-plate processes.

News International, publisher of three daily and two Sunday papers, has at its London Docklands headquarters more than 500 computer terminals, one of the largest systems installed at one time anywhere in the world. The *Financial Times* opened a new printing plant in Docklands in 1988 with about 200 production workers, compared with the 650 employed at its former printing facility in the City of London. The new Docklands plant of the Associated Newspapers Group uses flexography, a rubber-plate process. Other national papers have also moved into new computer-based printing plants outside Fleet Street.

News Agencies

The principal news agencies in Britain are Reuters, an international news organisation registered in London, the Press Association and Extel Financial.

Reuters

Reuters is a publicly owned company, employing 10,335 full-time staff in 79 countries. It has 1,300 staff journalists and photographers. The company serves subscribers in 132 countries, including financial institutions; commodities houses; traders in currencies, equities and bonds; major corporations; government agencies; news agencies; newspapers; and radio and television stations.

Reuters has developed the world's most extensive private leased communications network to transmit its services. It provides the media with general, political, economic, financial and sports news, news pictures and graphics, and television news. Services for business clients comprise constantly updated price information and news, historical information, facilities for computerised trading, and the supply of communications and other equipment for financial dealing rooms. Information is distributed through video terminals and teleprinters. Reuters is the major shareholder in Visnews, a television news agency whose service reaches over 650 broadcasters in 84 countries.

The Press Association

The Press Association—the British and Irish national news agency—is co-operatively owned by the principal daily newspapers of Britain outside London, and of the Irish Republic. It offers national and regional newspapers and broadcasters a comprehensive range of home news—general and parliamentary news, legal reports, and all types of financial, commercial and sports news. It also includes in its services to regional papers the world news from Reuters and Associated Press.

News is sent by satellite from London by the Press Association, certain items being

available in Dataformat, as camera-ready copy. Its 'Newsfile' operation provides general news, sports and foreign news on screen to non-media as well as media clients by means of telephone and view data terminals. The photographic department offers newspapers and broadcasters a daily service of pictures. The NewsFeatures service supplies reports of local or special interest and grants exclusive rights to syndicated features. It also offers a dial-in graphics facility, as well as extensive cuttings and photograph libraries.

Extel Financial

Extel Financial supplies information and services to financial and business communities throughout the world. Based in London, it has a network of offices in Europe and the United States and direct representation in Japan and South-East Asia. Data is collected from all the world's major stock exchanges, companies and the international press. The agency is a major source of reference material on companies and securities. It supplies a full range of data products on international financial matters. Up-to-the-minute business and company news is made available by the agency's specialist financial news operation.

Other Agencies

The British press and broadcasting organisations are also catered for by Associated Press and United Press International, which are British subsidiaries of United States news agencies. A number of other British, Commonwealth and foreign agencies and news services have offices in London, and there are minor agencies in other cities. Syndication of features is not as common in Britain as in some countries, but a few agencies specialise in this type of work.

Training for Journalism

The National Council for the Training of Journalists (NCTJ), which represents the principal regional press organisations, sets

and conducts examinations, and organises short training courses for journalists.

The two main methods of entry into newspaper journalism are selection for a one-year NCTJ pre-entry course at a college of further or higher education or direct recruitment by a regional or local newspaper. Both types of entrant take part in an apprenticeship scheme consisting of 'on-the-job' training. Block-release courses, preceded by a period of distance learning, are provided for those who have not attended a pre-entry course. Similar courses exist for press photographers.

The first undergraduate courses in journalism in Britain started in late 1991 at the London College of Printing, at City University, London, and at the University of Central Lancashire. Postgraduate diploma courses in journalism are available at the University of Wales College of Cardiff; City University, London; the University of Central Lancashire; and Strathclyde University/Glasgow Polytechnic (jointly).

Courses for regional newspapers in such subjects as newspaper sales, advertising, industrial relations and management are provided by the Newspaper Society Training Service. Some newspaper publishers carry out journalist training independently of the NCTJ, awarding their own diplomas. New national vocational qualifications based on workplace performance are being developed in regional newspaper journalism.

Specialist training courses for journalists and editorial managers from developing countries are offered by the Thomson Foundation in Cardiff. The Foundation also runs training courses in developing countries and provides consultants to assist newspapers and magazines in advertising, management, circulation and the introduction and operation of new technology. It runs an international journalism training centre in collaboration with Xinhua News Agency in Peking.

Through its charitable trust, the Reuter Foundation, Reuters offers assistance to overseas journalists to study and train in Britain, as well as in other parts of Europe, the United States and the developing world. The Foundation awards fellowships to journalists from developing nations to spend

up to one academic year at Oxford University. It also runs shorter practical training programmes in London for journalists from eastern and central Europe; these cover international news writing and business news skills.

The Periodicals Training Council is the official training organisation in periodical publishing. It offers a range of short courses covering management, editorial work, advertisement sales and circulation sales. It has special responsibility for editorial training and administers an industry-wide editorial training scheme for those already in employment. The postgraduate courses in journalism at the University of Wales College of Cardiff and City University, London, contain periodical journalism options, and the London College of Printing provides postgraduate courses and General Certificate of Education Advanced level courses in periodical journalism. Reed Business Publishing, one of the largest publishing companies, has a company training course for suitable candidates from the general public on a fee-paying basis.

Press Institutions

Employers' organisations include the Newspaper Publishers Association, whose members publish national newspapers, and the Newspaper Society, which represents 1,600 regional and local newspapers in England, Wales and Northern Ireland. The Scottish Daily Newspaper Society represents the interests of daily and Sunday newspapers in Scotland; the Scottish Newspaper Publishers' Association acts on behalf of the owners of weekly newspapers in Scotland; and Associated Northern Ireland Newspapers is made up of proprietors of weekly newspapers in Northern Ireland. The membership of the Periodical Publishers Association includes most independent publishers of business, professional and consumer journals.

Organisations representing journalists are the National Union of Journalists, with over 30,000 members, and the Institute of Journalists, with about 1,500 members. The main printing union is the Graphical, Paper

TECHNOLOGICAL CO-OPERATION



A general view of the Joint European Torus (JET) nuclear fusion project, based at Abingdon, Oxfordshire. JET, which is staffed and financed by 14 European nations, is a leading fusion research facility. In November 1991 it produced the first demonstration of the controlled release of fusion power.

A solar-powered microwave repeater station at Landofeh, Sierra Leone, one of 15 systems supplied by BP Solar as part of an EC-funded telecommunications modernisation programme.



DEPARTMENT OF NATIONAL HERITAGE

The Department of National Heritage, created after the general election in April 1992, has responsibilities for the arts, libraries, broadcasting and film, sport, tourism and heritage.



A top British canoeist at the National Watersport Centre near Nottingham.



Great changes have taken place in British broadcasting in the last few years, the aim being to increase efficiency and response to consumer demand. Rules governing the media during an election are strict in their demand for impartiality and fairness of representation.



A performance of *Tosca* at the Grand Opera House, Belfast.

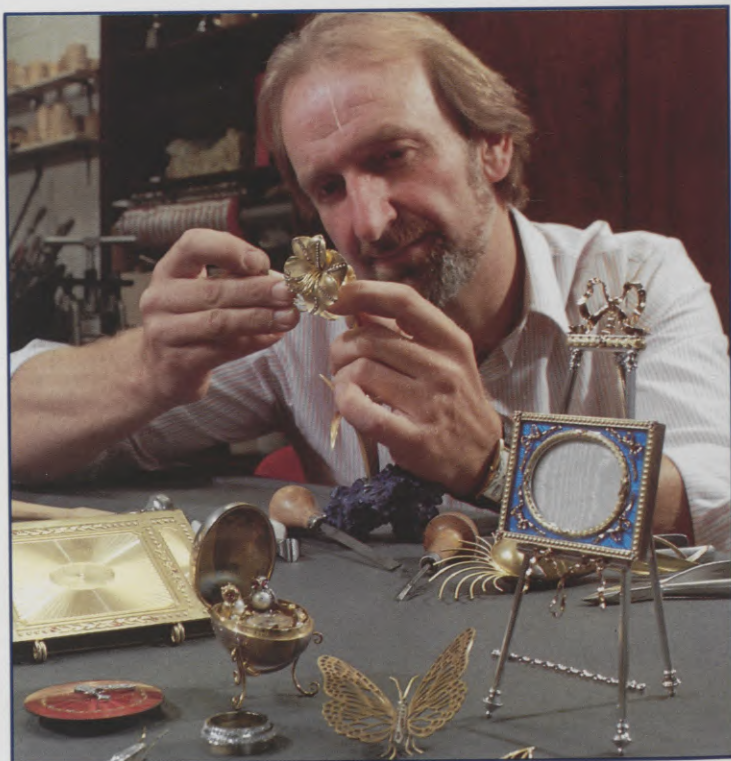
Dover Castle, one of the largest medieval castles in Western Europe, has been a fortress against invaders since the twelfth century. Within the walls are a Saxon church and a Roman lighthouse.



CRAFTS



Tass Bell and her husband have spent two years researching the inlaying of different coloured clays, as well as pure gold and mother-of-pearl, into their modern ceramics.



Master Goldsmith Jack Perry is one of the few craftsmen with the skill and knowledge to make pieces in the style of Fabergé or to make undetectable repairs to genuine pieces. His company makes items for collectors around the world.

and Media Union, with a membership of around 270,000.

The Guild of British Newspaper Editors is the officially recognised professional body for newspaper editors. It has approximately 350 members and aims to maintain the professional status and independence of editors, defend the freedom of the press, and improve the education and training of journalists. The British Association of Industrial Editors is the professional organisation for editors of house journals. The Association of British Editors represents the whole range of media, including radio, television, newspapers and magazines.

The main aim of the Foreign Press Association, formed in 1888, is to help the correspondents of overseas newspapers in their work by arranging press conferences, tours, briefings, and other services and facilities.

Press Conduct

Readers' representatives have been appointed by most national papers to handle complaints. They also help to guarantee standards of accuracy, fairness and good behaviour on the part of journalists.

In 1990 a report on privacy and related matters by a government-appointed independent committee, under the chairmanship of Mr (now Sir) David Calcutt, QC, recommended the formation of a non-statutory Press Complaints Commission by the newspaper industry in place of the Press Council. (The Press Council was a voluntary non-statutory body set up by the newspaper industry in 1953 to safeguard press freedom and ensure that the press conducted itself responsibly.)

The 1990 Calcutt Report also proposed creating three new criminal offences of physical intrusion to obtain personal information for publication and extending reporting restrictions on criminal cases so that the anonymity granted to rape victims would apply also to victims of other sexual offences.

Press Complaints Commission

The Press Complaints Commission took over from the Press Council in 1991. Its

membership is drawn from newspaper and magazine editors as well as from people from outside the industry. The Commission deals with complaints by members of the public about the contents and conduct of British newspapers and magazines and advises editors and journalists. It operates a comprehensive code of practice agreed by editors governing respect for privacy, opportunity to reply, corrections, journalists' behaviour, references to race and religion, payments to criminals for articles, and protection of confidential sources. The Commission publishes monthly reports of its findings.

The Government indicated that it would review the effectiveness of press self-regulation once the new Press Complaints Commission had been in operation for 18 months. Now that this period is over, the Government has asked Sir David Calcutt to undertake an assessment of how press self-regulation has worked in practice since the committee reported.

Advertising Practice

Advertising in all non-broadcast media such as newspapers, magazines, posters (and also direct mail, sales promotions, cinema, and management of lists and databases) is regulated by the Advertising Standards Authority, an independent body funded by a levy on display advertising expenditure. The Authority aims to promote and enforce the highest standards of advertising in the interests of the public through its supervision of the British Code of Advertising Practice. The basic principles of the Code are to ensure that advertisements:

- are legal, decent, honest and truthful;
- are prepared with a sense of responsibility to the consumer and society; and
- conform to the principles of fair competition as generally accepted in business.

The Authority includes among its activities monitoring advertisements to ensure their compliance with the Code and investigating complaints received directly from members of the public and competitors.

The advertising industry has agreed to abide by the Code and to back it up with effective sanctions. Free and confidential pre-publication advice is offered to assist publishers, agencies and advertisers. The Authority's main sanction is the recommendation that advertisements considered to be in breach of the Code should not be published. This is normally sufficient to ensure that an advertisement is withdrawn or amended. The Authority also publishes monthly reports on the results of its investigations, naming the companies involved.

The Authority is recognised by the Office of Fair Trading as being the established means of controlling non-broadcast advertising. The Authority can refer misleading advertisements to the Director General of Fair Trading, who has the power to seek an injunction to prevent their publication.

The Press and the Law

The press generally has the same freedom as the individual to comment on matters of public interest. No specific press laws are in operation, but certain statutes include sections which apply to the press.

There are laws governing:

- the extent of newspaper ownership in television and radio companies (see p 417);
- the transfer of newspaper assets (see p 417);
- restrictions on reporting certain types of court proceedings and on publishing material likely to stir up racial hatred; and
- the right of press representatives to be admitted to meetings of local authorities.

Publication of advertisement and investment circulars is governed by laws dealing with the publication of false or misleading descriptions of goods and services and with fraud. Advertisements for remedies for certain diseases are covered by public

health legislation. Legal restrictions are imposed on certain types of prize competition; copyrights come under various copyright laws.

Of particular relevance to the press are laws on contempt of court, official secrets and defamation. A newspaper may not publish comments on the conduct of judicial proceedings which are likely to prejudice the reputation of the courts for fairness before or during the actual proceedings, nor may it publish before or during a trial anything which might tend to influence the result. The unauthorised acquisition and publication of official information in such areas as defence and international relations are offences under the Official Secrets Acts 1911 to 1989 where unauthorised disclosure would be harmful (see below).

Most legal proceedings against the press are libel actions brought by private individuals. In such cases, the editor, proprietor, publishers, printer and distributor of the newspaper, as well as the author, may all be held responsible.

There is a legal requirement to reproduce 'the printer's imprint' (the printer's name and address) on all publications, including newspapers. Publishers are legally obliged to deposit copies of newspapers and other publications at the British Library.

Defence Notices

Government officials and representatives of the media form the Defence, Press and Broadcasting Committee, which has agreed that in some circumstances the publication of certain categories of information might endanger national security. Details of these categories are contained in Defence Notices (D Notices) circulated to the media, whose members are asked to seek advice from the Secretary of the Committee, a retired senior military officer, before publishing information in these areas. Compliance with any advice offered by the Secretary is expected but there is no legal force behind it and the final decision on whether to publish rests with the editor, producer or publisher concerned.

24 Television and Radio

Broadcasting in Britain has traditionally been based on the principle that it is a public service accountable to the people through Parliament. While retaining the essential public service element, it is now also embracing the principles of competition and choice.

Three public bodies—the British Broadcasting Corporation (BBC), the Independent Television Commission (ITC) and the Radio Authority—have the main responsibility for television and radio services throughout Britain:

- the BBC broadcasts television and radio programmes;
- the ITC licenses and regulates non-BBC television services, including cable and satellite services; and
- the Radio Authority licenses and regulates all non-BBC radio services.

These authorities work to broad requirements and objectives defined by Parliament, but are otherwise independent in the conduct of their day-to-day business.

The government department responsible for overseeing the broadcasting system is the Department of National Heritage, which was set up in April 1992, taking over the broadcasting responsibilities previously exercised by the Home Office. The Secretary of State for National Heritage is answerable to Parliament on broad policy questions.

Television

Television viewing is by far Britain's most popular leisure pastime: 95 per cent of households have a colour television set and 68 per cent have a video recorder. Average viewing time for each person is around 24 hours a week.

At present there are four terrestrial television channels, offering a mixture of drama, light entertainment, films, sport, children's and religious programmes, news and current affairs, documentaries and educational programmes. The BBC provides two complementary networks—BBC 1 and BBC 2—which are financed almost exclusively by licence fees. The ITC regulates two television services: ITV and Channel 4, which are expected to complement each other and are largely funded by advertising. (In Wales Sianel Pedwar Cymru—S4C—broadcasts programmes on the Welsh fourth channel.) All four channels broadcast on 625 lines UHF (ultra-high frequency). Over 99 per cent of the population live within range of transmission.

British television productions continue to win many international awards, and in 1990 television companies received £138 million in export earnings.

Radio

Practically every home has a radio set, and the widespread ownership of portable sets and car radios means that people can listen to radio throughout the day. The BBC has five national networks, which transmit all types of music, news, current affairs, drama, education, sport and a broad range of feature programmes. The first national commercial radio station, Classic FM, began broadcasting in September 1992 and two other national independent stations are planned.

There are 39 BBC local radio stations serving England and the Channel Islands, and regional and community radio services in Scotland, Wales and Northern Ireland. Some

140 independent local radio (ILR) services are also available to local communities throughout Britain. Further local stations are planned. Stations supply a comprehensive service of local news and information, music and other entertainment, education, consumer advice and coverage of local events. 'Phone-in' programmes allowing listeners to express their views on air are popular. About 90 per cent of the population is within range of BBC or ILR stations.

Broadcasting Complaints Commission

The Broadcasting Complaints Commission, an independent statutory body, deals with complaints of unfair treatment in broadcast programmes and of unwarranted infringement of privacy in programmes or in their preparation. In 1991–92 it received 1,048 complaints. Details of complaints made and decisions reached are published annually.

Government Approach to Broadcasting

During the last few years broadcasting in Britain has seen radical changes. The availability of more radio frequencies, together with satellite, cable and microwave transmissions, has made a greater number of local, national and international services possible. Moreover, the technical quality of sound and pictures is improving. In response to rapidly developing technology and rising public demand for a wider choice of programmes and services, the Government introduced the Broadcasting Act 1990 with the aim of making the regulatory framework for broadcasting more flexible and efficient and giving viewers and listeners access to a broader range of services. At the same time the Act aims to promote increased competition and to maintain high standards of taste and decency.

The 1990 Act takes full account of the need for programme quality and diversity, regional links, widespread ownership of broadcasting companies and proper geographical coverage, and makes provision for 'sharply focused statutory safeguards' backed by enforcement sanctions, including financial penalties.

Changes introduced by the Broadcasting Act 1990

The Broadcasting Act 1990 overhauled the regulation of independent television and radio and allowed the introduction of additional services.

In 1991 the Independent Broadcasting Authority (IBA) was replaced by the Independent Television Commission, the Radio Authority and a new transmission and engineering company (National Transcommunications Limited—see below), which is now wholly privately owned. At the same time the Cable Authority, set up in 1984, was made part of the ITC.

The ITC and the Radio Authority issue licences to commercial broadcasters and enforce rules to ensure diversity of ownership:

- The ITC awards major broadcasting licences by competitive tender to the highest bidders satisfying stipulated quality tests.
- The Radio Authority awards national radio licences by competitive tender to the highest cash bidders. Local radio licences are not allocated by competitive tender; the success of licence applications is in part determined by audience demand and the extent to which prospective stations would increase variety.

Both organisations were initially able to take out government loans, but are obliged to repay these and to support themselves from licence fees within three years. Although regulation is light, rules are enforced so that ownership remains widely spread and undue concentrations and cross-media ownership are kept in check.

The ITC has advertised a new national independent television station, Channel 5, and is considering the single bid received for it. Three national commercial radio stations are being established. Opportunities also exist for launching hundreds of independent local radio and television channels. Provision was made in the Broadcasting Act for the former IBA's television and radio transmission networks to be privatised. In 1991 the IBA

networks and other facilities were transferred to a new public company—National Transcommunications Limited (NTL). NTL has been sold for £70 million to a new company formed for the purpose by Mercury Asset Management. NTL transmits television services for the independent television companies, Channel 4, S4C, and radio services for about 50 independent local radio stations.

Programming Obligations

The Government recognises the importance of public service broadcasting. Hence:

- the 1990 Act made no change to the BBC's 'cornerstone' public service role of providing high-quality programming throughout the full range of public tastes and interests; the essential programming remits of all BBC domestic services remain unchanged.
- Channel 4—in addition to retaining public service obligations—is, as before, required to be innovative and distinctive, and to cater for tastes and interests not adequately met by ITV and its successor Channel 3 (see p 430). Three of the four current terrestrial television channels have, therefore, the same basic programming obligations as before the passage of the Act.
- Licence-holders of the new independent television Channels 3 and 5 will need to pass demanding quality tests. A 'proper proportion' of programme material will have to come from Britain and other European countries. Between them, Channels 3, 4 and 5 will need to cater adequately for schools programmes. The Act also requires those running television services on the proposed Channel 3 service to provide sufficient time for religious programmes.
- By 1993 both the BBC and commercial television licensees will be required to ensure that a minimum of 25 per cent of their original programming comes from independent producers. The system whereby major sporting occasions ('listed events'), such as the Grand National

steeplechase and the Olympic Games, are made generally available to television audiences on the main terrestrial channels is to be retained.

Programme Standards

Recognising that television and radio are powerful media with the potential to offend, exploit and cause harm, the Act contains guarantees on programme standards which are extended to all British-based broadcasters. These guarantees cover taste, decency, accuracy and balance. Under the 1990 Act the Government can proscribe unacceptable foreign satellite services receivable in Britain. Anyone in Britain supporting such a service can now be prosecuted for a criminal offence. The Act also gives the Broadcasting Standards Council a key role (see p 434).

Ownership Rules

In order to enjoy high standards and diversity, the Government believes that it is necessary to have ownership rules. The Act establishes clearer and more extensive rules. Controlling ownership from outside the European Community is largely prohibited and national newspapers are allowed relatively small stakes in direct broadcasting by satellite (DBS) channels (see p 432), Channels 3 and 5, and national and local radio.

The BBC

The constitution and finances of the BBC are governed by a Royal Charter, which expires in December 1996, and by a Licence and Agreement. The Corporation's board of 12 governors, including the chairman, vice-chairman and national governors for Scotland, Wales and Northern Ireland, is appointed by the Queen on the advice of the Government. The board of governors is responsible for all aspects of broadcasting on the BBC. The governors appoint the Director-General, the Corporation's chief executive officer, who heads the board of management, the body in charge of the daily running of the services.

The BBC has a strong regional structure.

The three English regions—BBC North, BBC Midlands & East and BBC South—and the Scottish, Welsh and Northern Ireland national regions make programmes for their local audiences as well as contributing to the national network. The National Broadcasting Councils for Scotland, Wales and Northern Ireland give advice on the policy and content of television and radio programmes intended mainly for reception in their areas. Local radio councils representative of the local community advise on the development and operation of the BBC's local radio stations.

Finance

The domestic services of the BBC are financed principally from the sale of television licences. Households with television must buy an annual licence costing £80 for colour and £26.50 for black and white. Over 19.6 million licences were current in April 1992; of these about 18.4 million were for colour. More than two-thirds of expenditure on domestic services relates to television.

Licence income is supplemented by profits from trading activities, such as television programme exports, sale of recordings and publications connected with BBC programmes, hire and sale of educational films, film library sales, and exhibitions based on programmes. The BBC meets the cost of its local radio stations. BBC World Service radio is financed by a grant-in-aid from the Foreign & Commonwealth Office, while BBC World Service television is self-funding.

The BBC has set up a subscription television service, BBC SELECT, providing a range of specialist subscription services, transmitted during the night. Services are 'downloaded' onto video recorders fitted with decoders. Emphasis is placed on education, training and updating, and the service will form part of the newly created BBC Education Directorate. The existing services are aimed mainly at the corporate sector, but services for the home user are planned. Most services are provided by outside companies.

In 1991 the BBC took over from the Home Office responsibility for administering the television licensing system. Since 1988 annual rises in the licence fee have been linked to the rate of inflation; this is intended further to improve the BBC's efficiency and encourage it to continue to develop alternative sources of revenue. A review to assess progress will be made before 1994. The longer-term future funding of the BBC will be considered as part of the Charter Review.

BBC Television

Apart from a break during the second world war (1939–45) the BBC has made regular television broadcasts since 1936. Together, BBC 1 and BBC 2 transmit over 17,000 hours of programmes a year for national and regional audiences.

Programmes for both networks are produced in London; a third of all programmes shown nationally are made in the regions. Both the BBC and the commercial television companies enter into agreements with overseas television corporations in order to make new programmes economically.

Through co-ordinated planning of its two services the BBC caters simultaneously for people of different interests. Although both services cover the whole range of television output:

- BBC 1 presents a wide range of programmes, including popular drama and light entertainment, sport, news and current affairs, major documentaries and children's programmes.
- BBC 2 presents music and the arts, new talent and ideas, innovative documentaries, sport, international films and serious drama, and is a forum for debate.

BBC National Radio

The BBC's five national radio stations are:

- BBC Radio 1, broadcasting rock and pop music 24 hours a day;
- BBC Radio 2 (on FM only), transmitting popular music and light entertainment, also for 24 hours a day;

- BBC Radio 3 (also on FM only), broadcasting mainly classical music, but also presenting jazz, drama, poetry, and short stories and talks;
- BBC Radio 4, the main speech network, providing the principal news and current affairs service, together with drama, comedy, documentaries and panel games—it also carries parliamentary coverage; and
- BBC Radio 5 (on medium wave only), which is devoted chiefly to sport, education and programmes for young people.

Independent Broadcasting

Independent Television Commission

Like the Radio Authority and S4C, the ITC's constitution and finances are governed by the Broadcasting Act 1990. The ITC is responsible for licensing and regulating non-BBC television services operating in or from Britain. These include:

- ITV and its successor, Channel 3;
- Channel 4;
- the proposed Channel 5;
- cable and other local delivery services;
- independent teletext services; and
- domestic and non-domestic satellite services available to viewers in Britain.

The ITC is advised by committees on educational broadcasting, religious broadcasting, charitable appeals and advertising. Viewer consultative councils also comment on the commercial services' programmes.

Until December 1992, when the present ITV franchises (see below) end, the ITC will continue to fulfil the IBA's obligations towards the ITV programme contracts. It will be legally responsible for broadcasting programmes shown on ITV, Channel 4 and by DBS services.

From 1993, when the new Channel 3 licences begin, the ITC will not broadcast or 'publish' programmes. These responsibilities will be passed to the new licensees. The ITC will supervise with a 'light touch' in that it will not be involved in detailed scheduling

of programmes. It has wider powers than the IBA to enforce licence conditions and rules designed to limit cross-media ownership and excessive concentration of ownership (see p 427).

ITV Programme Companies

At present 15 independent (ITV) companies hold contracts to supply programmes in the 14 independent television geographical regions. Two companies share the contract for London, one providing programmes during weekdays and the other at the weekend. A contract for a national early morning service, transmitted on the ITV network, is held by an additional company.

The companies operate on a commercial basis, deriving most of their revenue from the sale of advertising time. The financial resources, advertising revenue and programme production of the companies vary considerably, depending largely on the size of population in the areas in which they operate. Although newspapers may acquire an interest in programme companies, there are safeguards to ensure against concentration of media ownership, thereby protecting the public interest.

Each programme company plans the content of the programmes to be broadcast in its area. These are produced by the company itself, or by other programme companies or bought from elsewhere. The five largest companies—two serving London and three serving north-west England, the Midlands and Yorkshire—supply more programmes for broadcast elsewhere on the national network than do the smaller ones.

A common news service is provided 24 hours a day by Independent Television News (ITN).

ITV Programmes

The first regular ITV programmes began in London in 1955. ITV programmes are broadcast 24 hours a day in all parts of the country. About one-third of the output comprises informative programmes—news, documentaries, and programmes on current affairs, education and religion. The remainder

cover sport, comedy, drama, game shows, films, and a range of other programmes with popular appeal. Over half the programmes are produced by the programme companies and ITN.

Channel 3

Under the 1990 Act the ITV system will be replaced by Channel 3 in January 1993. The new channel will be made up of 15 regionally based licensees of the ITC and an additional ITC licensee providing a national breakfast-time programme. Licences for Channel 3 were awarded by the ITC in October 1991. Twelve existing franchise holders and four new companies were awarded licences.

Licences are awarded for a ten-year period by competitive tender to the highest bidder who has passed a quality threshold; in exceptional cases a lower bid can be selected. Such circumstances might include those where an applicant is able to offer a significantly better quality of service than that offered by the highest bidder.

There are substantial safeguards for quality programming. Licensees are required to offer a diverse programme service and a proportion of good-quality programmes, as well as high-quality regional and national news and current affairs programmes and children's and religious programmes. There is also a requirement for district and regional programming to be aimed at different areas within regions. Channel 3 licensees will be obliged to operate a national programme network. Networking arrangements are to be subject to government approval so that anti-competitive practices are avoided.

ITN has been appointed to supply a service of national and international news to Channel 3 for a ten-year period starting in January 1993.

Channel 4 and S4C

Channel 4, currently a subsidiary of the ITC, began broadcasting in 1982. It provides a national television service throughout Britain, except in Wales, which has a corresponding service—Sianel Pedwar Cymru (S4C). It is required to present programmes that are

complementary to those of ITV, appealing to tastes and interests not normally catered for by the original independent service.

Channel 4 must present a suitable proportion of educational programmes and encourage innovation and experiment. It commissions programmes from the ITC companies and independent producers and buys programmes in the international market. Channel 4 broadcasts for approximately 139 hours a week, about half of which are devoted to informative programmes. At present the service, including that in Wales, is financed by annual subscriptions from the ITV programme companies in return for advertising time in fourth channel programmes broadcast in their own regions.

In Wales programmes on the fourth channel are run and controlled by S4C. Under the Broadcasting Act 1990 S4C became a broadcaster in its own right. Its members are appointed by the Government. S4C is required to see that a significant proportion of programming, in practice 23 hours a week, is in the Welsh language and that programmes broadcast between 18.30 and 22.00 hours are mainly in Welsh. At other times S4C transmits national Channel 4 programmes.

Under the 1990 Act the distinctive remit of Channel 4 and S4C has been strengthened and the services are guaranteed by special arrangements to protect revenue levels. From January 1993:

- Channel 4 is to become a public corporation, licensed and regulated by the ITC, selling its own advertising time and retaining the proceeds; and
- S4C will be financed by the Government rather than by a levy from ITV.

Plans for Gaelic Television

The Gaelic Television Committee appointed by the ITC has been set up, under the Broadcasting Act 1990, to administer government funds to finance the making of television programmes in Gaelic. A fund of £9.5 million has been created and programmes thus financed will come on screen from January 1993.

Channel 5

A new national terrestrial television channel—Channel 5—was advertised in April 1992.

The ten-year franchise will be awarded by competitive tender subject to a quality threshold. The new channel will have similar, though less stringent, programming requirements to Channel 3, although it will not be required to show either regional or local programmes. The coverage of the service may be developed in stages, and the licensee will be required to retune domestic electronic equipment which suffers interference from Channel 5 transmission. The ITC received one bid, from Channel 5 Holdings Ltd. If the applicant's plans pass the quality threshold, the service is expected to come on air in late 1994. Owing to limited frequency availability Channel 5 will cover a predicted maximum of 75 per cent of households.

Local Television

The Broadcasting Act 1990 makes provision for the further development of local television services. Local delivery licences will be awarded by competitive tender and there will be no quality threshold. ITC licence-holders will be able to supply national and local television channels using both cable and microwave transmission systems. Services delivered could include Channel 5 in parts of the country where it was not available on UHF. Other services could be aimed at communities such as ethnic minorities.

Radio Authority

The underlying principles of independent local radio (ILR) are similar to those of ITV (see p 429). The programme companies operate under licence to the Radio Authority and are financed mainly by advertising revenue. Licences for existing operators will expire between 1994 and 1996.

The Radio Authority took over responsibility for independent radio from the IBA in 1991. Like the ITC, it supervises with a light touch. The Authority is required to ensure that licensed services, taken as a

whole, are of a high quality and offer a range of programmes calculated to appeal to a variety of tastes and interests. Powers to deter 'pirate' or illegal broadcasters have been strengthened.

The Authority is allocating licences by competitive tender for up to three national commercial radio services. One of these must be speech-based and another has to include a large proportion of music that is not pop music.

- The licence for the first independent national radio service (INR1) was awarded to Classic FM in 1991. The new station, which broadcasts mainly popular classical music, together with relevant news and information, began operating in September 1992.
- The licence for the second independent national radio service (INR2) was awarded in early 1992 to Independent Music Radio. This station, which aims to be on the air by early 1993, will play broad-based rock music. The station will reach about 85 per cent of the population.
- The licence for the third national service (INR3), which must be speech-based, will be advertised within the next two years.

In the course of the 1990s more new stations will come on the air, some of which could be neighbourhood and community-interest stations. Areas to be covered will initially be those at present unserved or only marginally served by ILR. Local audience demand and the extent to which the service could broaden the variety of local programmes will affect local licence allocation.

Some of the locations have been selected with small-scale 'community radio' in mind. As part of its brief to develop a wide range of radio services, the Authority aims to establish a number of stations which will be smaller in size, and/or more specialist in their output, than other commercial radio services. The first to go on the air, in 1989, was Sunset Radio, aimed at Manchester's multi-cultural population. Jazz FM became the first of the new London music stations, starting up in 1990.

Teletext

The BBC and independent television each operate a teletext service, offering constantly updated information on a variety of subjects, including news, sport, travel, local weather conditions and entertainment. The teletext system allows the television signal to carry additional information which can be selected and displayed as 'pages' of text and graphics on receivers equipped with the necessary decoders. Both Ceefax, the BBC's service, and Oracle, the independent television's service, have a subtitling facility on certain programmes for people with hearing difficulties. Both services are available whenever the transmitters are on the air. Nearly 40 per cent of households in Britain have teletext sets and over 7 million people turn to the service daily: more than most daily newspapers. The Broadcasting Act 1990 introduced a new regulatory system for licensing spare capacity within the television signal. This allows more varied use of spare capacity—data transfer, for instance—but the position of teletext on commercial television is safeguarded.

At the end of 1991 the ITC advertised three teletext licences—a single public service licence for teletext on Channels 3 and 4 (and S4C) and two separate licences for commercial additional services to subscription or closed user groups. It awarded the main teletext licence to UK Teletext Ltd, which will replace Oracle from 1 January 1993, and awarded one of the commercial additional service licences to the only bidder, Data Broadcasting International. The proposed Channels 3 and 5 will be obliged to offer a subtitling service for at least 50 per cent of their programmes by 1998, with further increases after that.

Cable Services

Cable services are delivered to consumers by means of underground cables and are normally paid for by subscription. Until 1991 the cable industry was regulated by the Cable Authority, which was responsible for issuing licences, supervising programme services and promoting cable development. These

responsibilities are now carried out by the Cable Division of the ITC. At the time of the handover of responsibilities in 1991, the Authority had awarded 135 new broadband (multichannel) cable franchises, varying in size from 121,000 homes to nearly 500,000.

'Broadband cable', the cable systems currently being designed and built, can carry between 30 and 45 television channels, including terrestrial broadcasts, satellite television, and channels delivered by videotape. Cable systems usually carry a local channel. Interactive services such as home shopping, home banking, security and alarm services, electronic mail and remote meter readings are also possible. Franchises have already been granted covering areas which include two-thirds of all homes and nearly all urban areas in Britain, around 14.5 million households in total. Regulation is as light as possible to encourage the development of a wide range of services and facilities, and flexible enough to adapt to changing technology. The ITC is continuing the Cable Authority's practice of awarding only one broadband cable franchise in any given area so that the new franchisee is protected from direct competition in the early stages. At present over 1.3 million homes are able to receive broadband cable services and there are nearly 270,000 subscribers. Following a review of telecommunications policy, cable operators are now allowed to provide telephony services, a factor which has increased the rate of take-up of services.

Licences are granted, on a non-competitive basis, to programme services which are likely to meet consumer protection standards and are run by suitably qualified people.

Broadcasting by Satellite

Direct broadcasting by satellite, by which television pictures are transmitted directly by satellite into people's homes, has been available throughout Britain since 1989. The signals from satellite broadcasting are receivable using specially designed aerials or 'dishes' and associated reception equipment.

Several British-based satellite television channels have been set up to supply

programmes to cable operators in Britain and, in many cases, throughout Europe. While some offer general entertainment, others concentrate on specific areas of interest, such as sport, music and children's programmes.

British Sky Broadcasting (BSkyB) carries channels devoted to light entertainment, news, feature films and sport, transmitted from the Astra and Marcopolo satellites. Each Astra satellite can transmit 16 channels, simultaneously. Two satellites are operational so far, with more planned, and provide about 18 channels in English. Other channels broadcast sport, general entertainment for women, and a service for children. MTV is a pop video channel. The Marcopolo satellite carries BskyB broadcasts made under contract to the ITC on the five DBS channels allocated to Britain under international agreement. BskyB will cease broadcasts from Marcopolo at the end of 1992.

Recent Developments

In February 1992 the BBC announced plans to launch a 24-hour subscription news service transmitted from the Astra satellite. Coverage of domestic and overseas news and current affairs would be linked to the BBC World Service Television Channel (see p 436) to create a low-cost service. Work on the new service is expected to start in 1993.

BBC Enterprises and Thames TV, one of the present independent programme companies, intend to launch a joint entertainment satellite channel—UK Gold—on the Astra satellite. The service, which will broadcast for 20 hours a day, is due to start in November 1992. The service will be free to all satellite viewers.

Educational Broadcasting

Both the BBC and independent television broadcast educational programmes for schools and continuing education programmes for adults. Broadcasts to schools deal with most subjects of the National Curriculum, while education programmes for adults cover many fields of learning and vocational training. Supporting material, in the form of books, pamphlets, filmstrips, computer software, and

audio and video cassettes, is available to supplement the programmes.

Each year the BBC Open University Production Centre produces around 350 radio and audio programmes and 200 television and video programmes made specially for students of the Open University (see p 163). The Centre also produces educational and training video materials in collaboration with external agencies such as the Department of Trade and Industry and the Department for Education.

The ITC has a duty to ensure that schools programmes are presented on independent television.

Advertising and Sponsorship

The BBC does not give publicity to any firm or organised interest except when this is necessary for providing effective and informative programmes. It must not broadcast any commercial advertisement or any sponsored programme; it may, however, cover sponsored sporting and artistic events.

Advertising and sponsorship are allowed on independent television and radio subject to controls. Codes of advertising standards and programme sponsorship covering commercial television and radio are operated by the ITC and the Radio Authority.

Advertising

Advertisements are broadcast on independent television and radio between programmes as well as in breaks during programmes. Advertisers are not allowed directly to influence programme content or editorial control. In television, food manufacturers and retailers are the largest category of advertisers.

Advertisements must be clearly distinguishable and separate from programmes. The time given to them must not be so great as to detract from the value of the programmes as a medium of information, education or entertainment. Television advertising is limited to an average of seven minutes an hour throughout the day and seven and a half minutes in the peak evening viewing period. Advertising is prohibited in

religious services and in broadcasts to schools. Independent television's teletext service (see p 432) carries paginated advertisements.

The ITC and the Radio Authority's codes governing standards and practice in advertising give guidance on the types and methods of advertisement which are prohibited; these include political advertising, advertisements for betting and—on television—tobacco advertising. (Advertisements for cigars and pipe tobacco are permitted on radio.) At present, religious advertising is not allowed on ITV, Channel 4 and some satellite services. On other services it is allowed provided it complies with the Radio Authority's code on religious advertising. From 1993 Channels 3 and 4 will be allowed to screen religious advertisements, subject to the ITC codes.

Both the ITC and the Radio Authority can prevent transmission of advertisements which they consider misleading. The Broadcasting Standards Council's code of practice (see below) covers advertisements.

Sponsorship

In Britain sponsorship is a relatively new way of helping to finance commercial television and radio programmes, although the practice has long been established in other countries. In return for their financial contribution, sponsors receive a credit associating them with a particular programme.

The ITC's sponsorship code takes as its guiding principle the safeguarding of programme integrity. News and current affairs programmes may not be sponsored. In the case of other programmes, sponsorship is not allowed where there might be a clash of interests. References to sponsors or their products have to be confined to the beginning and end of a programme and around commercial breaks; they must not appear in the programme itself. All commercial radio programmes other than news bulletins can be sponsored.

Government Publicity

Government publicity material to support

non-political campaigns may be broadcast on independent radio and television. This is paid for on a normal commercial basis. Short public service items, concerning health, safety and welfare, are produced by the Central Office of Information for free transmission by the BBC and independent television and radio.

Broadcasting Standards

The independence enjoyed by the broadcasting authorities carries with it certain obligations towards programmes and programme content. Programmes must display, as far as possible, a proper balance and wide range of subject matter, impartiality in matters of controversy and accuracy in news coverage, and must not offend against good taste. Broadcasters must also comply with legislation relating to obscenity and incitement to racial hatred.

The BBC and the other regulatory authorities apply codes providing guidance on violence and standards of taste and decency in television programmes, particularly during hours when children are likely to be viewing.

Broadcasting Standards Council

The Broadcasting Standards Council was set up by the Government to act as a focus for public concern about the portrayal of violence and sex, and about standards of taste and decency. Its remit covers television and radio programmes and broadcast advertisements. A code of practice has been drawn up by the Council on these matters. It monitors programmes, examines complaints from the public and undertakes research. In 1991–92 the Council received 2,662 complaints, of which 1,130 fell within its remit. It has already published the results of several public attitude surveys.

Under the Broadcasting Act 1990 the Council has been granted statutory powers which require the codes of practice of the BBC and other broadcasting regulatory bodies to reflect the Council's own code. Programmes broadcast to Britain from abroad are monitored by the Council.

Parliamentary and Political Broadcasting

The proceedings of both Houses of Parliament may be broadcast on television and radio, either live, or more usually in recorded and edited form on news and current affairs programmes.

The proceedings of the House of Commons have been televised since 1989. They are produced by an independent company appointed by the House of Commons, which makes television pictures available to the BBC, ITN and other approved broadcasters for use in news and current affairs programmes. House of Lords proceedings have been televised since 1985.

The BBC and the commercial services provide time on radio and television for an annual series of party political broadcasts. Party election broadcasts are arranged following the announcement of a general election. In addition, the Government may make ministerial broadcasts on radio and television, with opposition parties also being allotted broadcast time.

Audience Research

Both the BBC and the independent sector are required to keep themselves informed on the state of public opinion about the programmes and advertising which they broadcast. This is done through the continuous measurement of the size and composition of audiences and their opinions of programmes. For television, this work is undertaken through BARB (the Broadcasters' Audience Research Board), which is owned jointly by the BBC and the Independent Television Association (the trade association for the ITV companies). For radio, joint research is now undertaken for BBC radio and for commercial radio by RAJAR (Radio Joint Audience Research).

Both the BBC and the independent sector conduct regular surveys to gauge audience opinion on television and radio services. Public opinion is further assessed by the BBC and ITC through the work of their advisory committees, councils and panels. Regular public meetings are also held to debate services, and careful consideration is given to

correspondence and telephone calls from listeners and viewers.

BBC World Service Radio

The BBC World Service broadcasts by radio worldwide, using English and 37 other languages, for 820 hours a week. The main objectives are to give unbiased news, reflect British opinion and project British life, culture and developments in science and industry. News bulletins, current affairs programmes, political commentaries and topical magazine programmes form the main part of the output. These are supplemented by a sports service, music, drama and general entertainment. Regular listeners are estimated to number 120 million.

The languages in which the World Service broadcasts and the length of time each is on the air are prescribed by the Government. Otherwise the BBC has full responsibility and is completely independent in determining the content of news and other programmes.

There are broadcasts by radio for 24 hours a day in English, supplemented at peak listening times by programmes of special interest to Africa, East Asia, South Asia, Europe, the Caribbean and the Falkland Islands.

BBC World Service news bulletins and other programmes are re-broadcast by some 450 radio and cable stations in over 80 countries, which receive the programmes by satellite. Two World Service departments also specialise in supplying radio material for re-broadcast. BBC Transcription sells recordings to more than 100 countries, while BBC Topical Tapes airmails some 250 tapes of original programmes to subscribers in over 50 countries each week.

BBC English is the most extensive language-teaching venture in the world. English lessons are broadcast daily by radio with explanations in some 30 languages, including English, and re-broadcast by many radio stations. BBC English television programmes are also shown in more than 90 countries. A range of printed, audio and video material accompanies these programmes.

Another part of the World Service, BBC Monitoring, listens to and reports on foreign

broadcasts, providing a daily flow of significant news and comment from overseas to the BBC and the Government. This information is also sold to the press, private sector companies, academic staff and public bodies.

BBC World Service Television

BBC World Service Television was set up in 1991 to establish a worldwide television service. The BBC has generated its own funding for this operation. The company at present provides three services:

- a subscription channel in Europe, based on a mixture of BBC 1 and BBC 2 programmes, news bulletins, and weather and business reports. Viewers receive the service by cable or direct to their homes, using special decoders.
- a 24-hour news and information channel which is available throughout Asia, launched in November 1991. Funded by advertising, the service is one of the channels offered throughout Asia by the commercial company STAR TV. The channel is compiled by the BBC and transmitted by satellite to the ground station in Hong Kong, where advertising is added by STAR TV before distribution.
- a news and information channel in Africa, launched in April 1992. The service is available to viewers who have the appropriate satellite reception equipment and in countries where national broadcasters make the service part of their regular output.

COI Overseas Radio and Television Services

The Central Office of Information (COI), which provides publicity material and other information services on behalf of government departments and other public agencies, produces radio programmes for overseas. A wide range of recorded material is sent to radio stations all over the world. COI television services make available material such as documentary and magazine

programmes for distribution to overseas stations.

News Agencies

Visnews is the largest television news agency in the world, supplying world news pictures to over 650 broadcasters in 84 countries and running a network of bureaux in major cities throughout the world. Reuters is the majority shareholder in the company. Worldwide Television News, owned by ITN, the American Broadcasting Corporation and Channel 9 in Australia, supplies news and a wide range of television services to some 1,000 broadcasters in 93 countries, as well as to governments and international corporations. Both agencies provide services through the Eurovision network (see below) and by satellite.

International Relations

European Agreements

In 1991 Britain implemented two important European agreements on cross-border broadcasting: the European Community Directive on Broadcasting and the Council of Europe Convention on Transfrontier Television. Under these, countries have to remove restrictions on the retransmission of programmes originating from other participating countries. They must also ensure that their own broadcasters observe certain minimum standards on advertising, sponsorship, taste and decency and the portrayal of sex and violence on television.

European Broadcasting Union

The BBC, the ITC (until the end of 1992, when it ceases to be a broadcaster) and the Radio Authority are members of the European Broadcasting Union, which manages Eurovision, the international network of television news and programme exchange. The Union is responsible for the technical and administrative arrangements for co-ordinating the exchange of programmes and news over the Eurovision network and intercontinental satellite links. It also

maintains a technical monitoring station where frequency measurements and other observations on broadcasting stations are carried out. The Union provides a forum linking the major public services and national broadcasters of Western Europe and other parts of the world, and co-ordinates joint operations in radio and television.

International Telecommunications Union

The BBC, ITC and Radio Authority participate in the work of the International Telecommunications Union, the United Nations agency responsible for regulating and controlling all international telecommunications services, including radio and television. It also allocates and registers all radio frequencies, and promotes and co-ordinates the international study of technical problems in broadcasting.

Other International Bodies

The BBC, the ITC (until the end of 1992) and the Radio Authority are associate members of the Asia-Pacific Broadcasting Union, and the BBC also belongs to the Commonwealth Broadcasting Association, whose members meet every two years to discuss public service broadcasting issues.

Training

The BBC provides non-financial technical assistance, particularly in training the staff of overseas broadcasting organisations. The Government finances overseas students on broadcasting training courses at the BBC, British Council and the Thomson Foundation Television College, which sends lecturers, and arranges courses, overseas.

Technical Developments

One of the most important recent

developments in television has been in news coverage, where compact electronic cameras have replaced film cameras, eliminating the need for film processing and enabling pictures to be transmitted directly to a studio or recorded on video tape on location.

Other recent advances in television broadcasting include:

- adoption of digital video tape recorders;
- increasing use of computer-aided digital equipment for picture generation and manipulation;
- use of portable satellite links to transmit pictures from remote locations to studios; and
- the introduction of stereo sound on the NICAM 728 digital system, developed by the BBC.

Both the BBC and the independent sector are engaged in the further development of digital techniques for studio applications and inter-city links. In satellite broadcasting, the MAC transmission format was developed by IBA engineers, who went on to devise refinements for the MAC system compatible with widescreen television. The BBC and IBA co-operated in the development of teletext, and teletext sets in some 30 countries are based on the British system.

Both the BBC and the ITC are undertaking a number of important areas of long-term research. These include:

- the development of a 1,250-line wide-screen high definition television (HDTV), which is being developed under the EUREKA 95 group of British and other European manufacturers;
- enhancements to the PAL colour television system;
- digital terrestrial audio and television broadcasting; and
- data transmission studies.

25 Sport and Active Recreation

The British invented and codified the rules of many of the sports and games now played all over the world, and today there is widespread participation in and watching of sport in Britain. British sportsmen and women compete internationally in some 70 different sports. Among their number in May 1992 were around 74 world champions in 23 sports. Large crowds attend occasions such as the football and rugby league Challenge Cup Finals at Wembley Stadium; international rugby union matches at Twickenham, Murrayfield (Edinburgh) and Cardiff Arms Park; the Wimbledon lawn tennis championships; the classic horse races; the Open Golf Championship; the British motor racing Grand Prix; and international cricket matches.

Sport is a major industry in Britain: in addition to the professional sportsmen and women, some 467,000 people are employed in the provision of sports clothing, publicity, ground and club maintenance and other activities connected with sport. In total an estimated £9,750 million is spent on sport annually in Britain.

ORGANISATION AND ADMINISTRATION

Responsibility for government policy on sport, active recreation and children's play in England has rested with the Secretary of State for National Heritage since the creation of the Department of National Heritage in April 1992. The Secretaries of State for Wales, Scotland and Northern Ireland are responsible for sport in their countries. In Northern Ireland the Department of Education makes direct grants towards the capital cost of facilities to local authorities and voluntary sports bodies.

Responsibility for the organisation and

promotion of sport is largely decentralised, and many sport and recreation facilities are provided by local authorities. The Countryside Commission has specific recreation responsibilities, and other bodies, like the Forestry Commission, provide recreational amenities in addition to their main functions. The main mechanism by which the Government directly channels financial assistance to sport, however, is through the Sports Councils. This 'arm's length' principle of funding safeguards the long-established independence of sports organisations in Britain.

The Secretary of State for National Heritage co-ordinates policy on children's play in England. The Sports Council is responsible for the National Children's Play and Recreation Unit. This provides local and central government and other interested organisations with advice on a range of children's play issues.

Sports Councils

There are four independent Sports Councils:

- the Sports Council—for general matters affecting Great Britain and specifically English matters;
- the Sports Council for Wales;
- the Scottish Sports Council; and
- the Sports Council for Northern Ireland.

These councils are allocating government funds amounting to over £64 million in 1992–93. They make grants for sports development, coaching and administration to the governing bodies of sports and other national organisations, and administer the national sports centres (see p 439). Grants and loans are also made to voluntary organisations, local authorities and

commercial organisations, to help them provide sports facilities. Facilities receiving support include sports halls, indoor swimming pools, intensive-use pitches, indoor tennis halls and school facilities. The Indoor Tennis Initiative is a major building programme to increase the availability of indoor tennis courts. It is sponsored by the Sports Council and the tennis authorities.

British representatives at international sports meetings are assisted by the Sports Council, which encourages links with international and overseas organisations. The four Sports Councils are also concerned with preserving and extending recreational and sporting access to the countryside.

Ten Regional Councils for Sport and Recreation in England, on each of which sport and active recreation, and local authority interests are represented, prepare regional strategies and advise on investment in, and the planning of, sporting and recreational facilities and the promotion of sport.

The four Sports Councils are exploring ways of attracting greater private sector investment in sport (see p 444), including greater use of incentive funding schemes, whereby public money is used to generate revenue from private sources.

Strategic Planning

Strategies for the development of sport have been drawn up by the four Sports Councils. The aims of these strategies are broadly:

- to ensure that all young people have the opportunity to acquire basic sports skills and to receive physical education instruction;
- to ensure that everyone has the opportunity to take part in sport and active recreation of their choice;
- to ensure that everyone with the interest and ability has the opportunity to improve their standard of performance in sport and fulfil their potential; and
- to ensure that everyone with the interest and ability has the opportunity to reach the highest standards of sporting excellence.

Much of the Sports Council's budget is

directed at increasing participation by the general public. The Council is also concentrating on raising participation rates among inner city dwellers, people with disabilities (see p 443) and other groups experiencing difficulties in gaining access to sporting opportunities. It works towards improving coaching, sports science and sports medicine as part of the drive to increase standards of performance.

The Sports Council's programme of national demonstration projects was designed to promote mass participation through the establishment of new partnerships and the development of new ways of working with groups that are socially and recreationally disadvantaged. Some 15 schemes have featured in this programme. Many local authorities have gone on to provide their own schemes without Sports Council funding. The lessons of these projects have been fed into the work of over 1,500 sports development officers employed in Britain.

'Team Sport Scotland', administered by the Scottish Sports Council, aims to encourage team sports by promoting links between schools, sports clubs and other interested organisations.

In 1991-92 the Sports Council provided a grant of £700,000 to the National Coaching Foundation to enable it to set up Champion Coaching, a quality after-school coaching scheme for those aged 11 to 14.

Sports Centres

The four Sports Councils run ten national sports centres which provide world class facilities for training and competition at the highest level of sporting excellence. The centres host formal squad events as well as making their facilities available for casual individual training for elite performers and the local community.

Combined facilities for a number of sports are available at three of the centres:

- Crystal Palace, in London, which has major competition venues for athletics, swimming and a variety of indoor sports;
- Lilleshall (Shropshire), which houses the British Amateur Gymnastics Association Gymnastics Centre; and

- Bisham Abbey (Berkshire), which houses the Lawn Tennis Association tennis school.

The other two are specialist centres: the National Water Sports Centre at Holme Pierrepont, Nottinghamshire, which caters for rowing, canoeing and water-skiing; and the Plas-y-Brenin National Centre for Mountain Activities in north Wales.

The Sports Council for Wales runs the Welsh Institute for Sport (formerly known as the National Sports Centre for Wales) in Cardiff and the National Watersports Centre at Plas Menai in north Wales. The Scottish Sports Council operates three national sports training centres: Glenmore Lodge, near Aviemore, for both winter and summer outdoor pursuits; Inverclyde, at Largs, for general sports; and a national water sports training centre on the island of Great Cumbrae, in the Firth of Clyde. The Sports Council for Northern Ireland runs one national facility, the Northern Ireland Centre for Outdoor Activities at Tollymore, in County Down.

National Coaching Foundation

The National Coaching Foundation was established in 1983 to provide educational and advisory services for coaches in all sports. Its work complements and supports the coaching development carried out by sports governing bodies. There are 16 national coaching centres delivering the Foundation's services to coaches.

Local Authorities

Local authorities are major providers of land and large-scale facilities for community recreation: their estimated gross annual expenditure on sport and recreation amounts to over £1,000 million in England alone. The facilities include parks, lakes, playing fields, sports halls, tennis courts, golf courses, swimming pools, gymnasia and sports centres catering for a wide range of activities. Local authorities in England manage over 1,500 indoor centres, largely built in the last 20 years, as well as numerous outdoor amenities.

There has been a rapid growth in the

provision of artificial pitches, largely for hockey. The number of leisure pools is also rising quickly: these often have wave machines, waterfalls, jacuzzis and other leisure equipment.

Sports Governing Bodies

Individual sports are run by over 400 independent governing bodies, whose functions usually include drawing up rules, holding events, regulating membership, selecting and training national teams and promoting international links. There are also organisations representing people who take part in more informal physical recreation, such as walking and cycling.

Central Council of Physical Recreation

The Central Council of Physical Recreation (CCPR) is a representative body of non-governmental organisations for sport and active recreation in England. It provides advice and guidance to its members on a range of advisory services. Similar bodies in Scotland, Wales and Northern Ireland are the Scottish and Welsh Sports Associations and the Northern Ireland Council of Physical Recreation.

The CCPR represents the views of its membership to the Sports Council, the main source of its funding. The CCPR administers the Community Sports Leaders Award Scheme, which trains people to help run sporting activities in clubs in their local communities. In 1985 the CCPR set up the Institute of Sports Sponsorship, comprising some 80 major British companies which sponsor sport, and in 1992 it set up the Institute of Professional Sport, which will endeavour to protect the welfare of professional sportsmen and women.

British Olympic Association

The British Olympic Association, founded in 1905, is the national Olympic committee for Britain. Its primary function is to organise the participation of British teams in the Olympic Games. The Association comprises representatives of the 30 governing bodies of

those sports in the programme of the Olympic Games (summer and winter). It determines the size of British teams and sets standards for selection, raises funds, makes all arrangements and provides a headquarters staff for the management of the teams. It also makes important contributions in the fields of coaching, drug testing and control, and sports medicine. The Association's British Olympic Medical Centre supplies a medical back-up service for competitors before and during the Olympic Games.

In the 1992 Olympics in Barcelona, Spain, Britain won 20 medals: five gold, three silver and 12 bronze. Gold medals were won in athletics (two), rowing (two) and cycling.

In 1988 the British Olympic Association, the Sports Council and the CCPR agreed to form the British International Sports Committee to advise the Government and other bodies on international issues concerning British sport, and to co-ordinate the views and actions of representative sports bodies in Britain.

British Sports Forum

The sports associations of Wales, Scotland and Northern Ireland, the CCPR and the British Olympic Association have recently come together in the British Sports Forum. The purpose of this body is to present the united voice of the non-governmental sports sector, both domestically and internationally.

National Playing Fields Association

The National Playing Fields Association is a charity with a Royal Charter, whose purpose is to promote the provision of recreation and play facilities for all age groups. It aims to ensure that there are adequate playing fields and playspace. There are affiliated associations in the English and Welsh counties and independent organisations in Scotland and Northern Ireland.

The Government has awarded a grant of £500,000 to the Sports Council, in conjunction with the Association and the

CCPR, to compile a register of recreational land as part of a strategy to safeguard playing fields.

Sports Clubs

Recreational facilities are provided by local sports clubs. Some cater for indoor recreation, but more common are those providing sports grounds, particularly for cricket, football, rugby, hockey, tennis and golf. Estimates suggest that in 1989 there were some 150,000 sports clubs in Britain, with 6.5 million members. Many clubs linked to business firms cater for sporting activities. Commercial facilities include tenpin bowling centres, ice and roller-skating rinks, squash courts, golf courses and driving ranges, curling rinks, riding stables, marinas and, increasingly, fitness centres. In all the private sector owns and runs some 500 major sports facilities.

GOVERNMENT POLICIES

The Government has long recognised the importance of physical recreation for the health and general welfare of the community. The social role which sport can play has become more important at a time of rapid change in work and leisure patterns. Success in sport also strengthens Britain's international status and prestige, and fosters national pride.

In December 1991 the Government announced its policies and priorities in a major policy statement, *Sport and Active Recreation*. The aim is to encourage individuals to participate from childhood through to adulthood; to enable them to improve their standards of performance; and to encourage those with the potential to excel to do so. Emphasis is placed on partnerships between public and private authorities, agencies and the voluntary sports sector. The policy statement proposes a more effective structure for sport in Britain. It also announced the Business Sponsorship Scheme (see p 444).

Restructuring

As a result of the policy statement, the

administration of sport is being restructured, and the Sports Council will be replaced by two new bodies: a United Kingdom Sports Commission and a Sports Council for England.

The main functions of the United Kingdom Sports Commission, which would be funded by the Department of National Heritage, would include:

- long-term strategic planning on sporting issues affecting the whole of Britain;
- development and co-ordination of initiatives to promote higher standards of performance and excellence in sport at national level;
- co-ordination of efforts to promote participation in sport;
- international collaboration to further British sporting and active recreation interests overseas; and
- administration of grants or loans to achieve these objectives.

The Sports Council for England would be established on the lines of, and have similar functions to, the other Sports Councils.

Competitive Tendering

The Government has instituted competitive tendering for the management of local authority sports and leisure facilities to make them more cost-effective and responsive to consumer demand. School and college facilities are exempted from competition, and councils retain controls over pricing, admission and opening hours.

Olympic Bid by Manchester

The Government has announced its support for Manchester's bid for the Olympics for the year 2000 and will commit some £55 million to the bid. Some £53 million is being allocated to the provision of facilities in advance of the decision on the location of the Games, due in September 1993. In addition, the Government will provide £2 million to support the bid, matching money being raised by the private sector.

Major new facilities are planned for Manchester, including:

- an Olympic stadium—the first international stadium to be built in Britain since 1923—with an initial seating capacity of 60,000;
- an Olympic indoor arena, with an initial seating capacity of 12,000; and
- a covered velodrome, the first in Britain.

OTHER SPORTING ISSUES

Participation

Levels of participation in sport have been rising, due mainly to an increase in leisure time and facilities, greater mobility and improvements in living standards. A growing awareness of the importance of regular exercise for good health has also contributed to this trend and is reflected in the upsurge of interest in jogging, keep fit and dance-related forms of exercise.

It has been estimated that 29 million people over the age of 16 regularly take part in sport or exercise, with men outnumbering women. Walking, including rambling and hiking, is by far the most popular recreation, followed by swimming, snooker/billiards/pool, keep fit/yoga/aerobics, cycling, darts, golf, running, weightlifting and football. Other widely practised spare-time physical activities include gardening and 'do-it-yourself' repair and improvement work.

Women and Sport

A major priority in the 1980s was to narrow the gap between men's and women's participation in active sport and recreation. During the 1990s the main emphasis is focusing on encouraging women to adopt leadership roles, such as coaches, officials and administrators. A more positive attitude towards physical fitness has led to growing participation by women in sport. Women also take part more in 'physical contact' sports, such as football and rugby, which were previously regarded as 'unfeminine'. Sports from which they had been excluded by

tradition, rather than on the grounds of physical differences, are similarly increasing in popularity among women: for instance, larger numbers now play snooker and billiards. Sports and physical activities associated with fitness and healthy lifestyles are particularly favoured by women, with high rates of participation in swimming, keep fit and aerobics.

Many sports have separate governing bodies for women and competitive events are normally organised in divisions for men and women. One notable exception is equestrianism, where women riders compete on equal terms with men. Mixed events in which men and women take part together are traditional in sports such as tennis, badminton and ice-skating.

Netball is the main sport played predominantly by women. Girls at school often participate in netball, tennis, badminton, athletics, hockey, swimming and gymnastics.

Sport for People with Disabilities

Opportunities exist for people with disabilities to take part in a variety of sporting activities. There are national disability sports organisations representing the main disability groups, but the trend is increasingly towards sports-specific governing bodies. For example, the Riding for the Disabled Association caters for some 25,000 riders and the British Disabled Water Ski Association offers training and competition to a growing number of skiers.

The British Sports Association for the Disabled aims to encourage and enable people with disabilities to take part in sport and active recreation at whichever level they choose. Sports clubs for people with disabilities throughout Britain are affiliated to the Association. As well as offering advice to local clubs and groups, the Association arranges conferences, seminars and coaching courses. The Scottish Sports Association for the Disabled, the Federation of Sports Associations for the Disabled (Wales) and the Northern Ireland Committee on Sport for Disabled People have similar co-ordinating roles.

In the last few years greater emphasis has been placed on making provision for people with a mental handicap, this work being co-ordinated by the United Kingdom Sports Association for People with Mental Handicap.

Competition

Britain has played an active part in international sport for people with disabilities. The British Paralympic Association, which liaises closely with the British Olympic Association, looks after the preparation and training of paralympic and other international teams. At the Paralympic Games in Barcelona in 1992, the British team gained 40 gold, 47 silver and 41 bronze medals, finishing third in the overall medals table.

Future Structure

In 1989 the Government published a report on sport for people with disabilities. This recommended that sport for disabled and able-bodied people should be increasingly integrated, with athletes with disabilities being encouraged to participate in sporting events either in direct competition with able-bodied athletes or in parallel events. It also recommended that governing bodies of sport should increasingly assume responsibility for all participants in their sport, whether able-bodied or disabled. In 1991 the Government provided extra money to the Sports Council to help implement the recommendations. The governing bodies of sport are increasingly taking responsibility for both able-bodied participants and those with disabilities.

Sport in Education

All schools (except those solely for infants) are expected to have a playing field or the use of one, and most secondary schools have a gymnasium. Some have other amenities such as swimming pools, sports halls and halls designed for dance and movement. Physical education is a compulsory subject for all pupils aged 5 to 16 in state-maintained schools in England and Wales. Introduction

of the National Curriculum for physical education will begin in late 1992. One of the requirements is that, from the end of 1994, all children should be able to swim 25 metres before they leave primary school.

The Government's policy statement in December 1991 recorded a number of ways of improving opportunities for young people to participate in sport, particularly by promoting partnerships between schools and other organisations in the local community. Early in 1993 the Government intends to publish guidance on promoting partnerships.

To achieve the maximum use of sports facilities, greater community use is being encouraged of sports halls and other facilities owned by schools, colleges and institutions such as football clubs. Legislation is planned which would allow school governors to enter into agreements for the joint management of school premises in out-of-school hours. Stronger links are being developed between schools and the wider community to ensure that children have access to the sports amenities which clubs and associations can make available outside school hours.

Sport and recreation facilities are available at institutions of higher and further education, some of which have departments of physical education.

Televised Sport

Extensive coverage on television (over 3,000 hours on the four terrestrial channels in 1991) has helped to generate interest in a growing number of sports. Sports attracting the larger television audiences include association football, cricket, athletics, snooker and boxing. The advent of direct broadcasting by satellite and the greater availability of cable are increasing televised coverage of sport substantially. At present three satellite channels are devoted to sport.

Important sporting occasions ('listed events'), such as the Grand National steeplechase, the Olympic Games and cricket Test matches involving England, have to be made generally available to television audiences. They may not be shown exclusively on 'pay-per-view' television.

PRIVATE SPONSORSHIP

The importance of sport of financial sponsorship from commercial organisations is recognised by the Government and the Sports Councils. It is estimated that private sector investment in sports sponsorship amounts to over £200 million a year and involves more than 2,000 British companies. Investment includes sponsorship of cricket and football leagues, sporting events such as horse races, and of individual performers. Motor sport and football receive the largest amounts of private sponsorship.

Sponsorship may take the form of financing specific events, or of grants to individual sports organisations or sportsmen and women. The Sports Aid Foundation raises and distributes funds from industry, commerce and private sponsors in order to assist the training of talented individuals. Grants are awarded on the recommendation of the governing bodies of sport. The Scottish and Welsh Sports Aid Foundations and the Ulster Sports and Recreation Trust have similar functions. A sponsorship advisory service is run by the CCPR.

Successive governments have negotiated voluntary agreements with the tobacco industry to regulate tobacco companies' sponsorship of sport, the last one having come into force in 1987. This has the aim of promoting responsible sponsorship activities and imposes a ceiling on spending by tobacco firms on sports sponsorship. It prohibits sponsorship of events where a majority of the participants are under 18 years of age or which are designed to appeal mainly to spectators under 18. It bans the depiction of any participants in a sport in media advertising, and imposes strict controls on siting of signs at televised events and on the size of health warnings on these signs.

Business Sponsorship Scheme

The Government intends to launch a Business Sponsorship Scheme for Sport which will be targeted at the 'grass roots' of sport and active recreation to promote

partnership between sport and business at the local level throughout Great Britain. Its objectives will be to increase the amount of business sponsorship in this area. Awards will be given to the body running the event or project concerned. The awards made will match the money provided by the sponsor, ranging from a minimum of £1,000 to a maximum of £75,000. In England the scheme will be administered by the Institute of Sports Sponsorship and in Scotland and Wales on a partnership basis with the Scottish Sports Council and the Sports Council for Wales. Northern Ireland has its own sports sponsorship incentive scheme, which is being reviewed during 1992.

GAMBLING

Various forms of commercial betting and gaming are permitted in Britain under strict regulations. In 1991-92 the total money staked, excluding gaming machines, was estimated at £9,424 million.

Betting takes place mainly on horse or greyhound racing, and on football matches, usually through football pools. Racing bets may be made at racecourses and greyhound tracks, or through some 10,000 licensed off-course betting offices, which take about 90 per cent of the money staked. A form of pool betting—totalisator betting—is organised on horse racecourses by the Horserace Totalisator Board (the Tote). Bookmakers and the Tote contribute a levy to the Horserace Betting Levy Board, which promotes the improvement of horse breeds, advancement of veterinary science and better horse racing.

Gaming includes the playing of casino and card games, gaming machines and bingo. There are 120 licensed casinos operating in Britain, 20 of them in London, and about 960 licensed bingo clubs.

FOUNDATION FOR SPORT AND THE ARTS

The Foundation for Sport and the Arts was set up by the pools promoters in 1991 to channel funds to benefit sport and the arts.

The pools promoters are providing the Foundation with a minimum of £40 million a year. A further £20 million a year is being provided as a result of the reduction in pool betting duty in the 1991 Budget. About £40 million a year is available for sport.

NATIONAL LOTTERY

In March 1992 the Government set out its proposals for a new national lottery in a White Paper, *A National Lottery Raising Money for Good Causes*. The Government has consulted about aspects of such a lottery, including its nature and frequency, and the effect on football pools and other forms of gambling. Legislation is planned to introduce the arrangements, and the lottery could be in operation by 1994.

An independent National Lottery Board would be established to organise the lottery and distribute the proceeds and prizes. Day-to-day running of the lottery would be undertaken by private sector contractors. Once fully operational, the National Lottery could raise up to £1,000 million a year. Sport (including major international events), the arts, heritage and charities are to be the main beneficiaries of the Lottery.

SAFETY AT SPORTS GROUNDS

Safety at sports grounds is governed by legislation. The main instrument of control is a safety certificate which is issued by the relevant local authority. When determining the conditions of a safety certificate, the local authority is expected to comply with the Guide to Safety at Sports Grounds. This was revised in 1990 to include the relevant safety recommendations of the 'Taylor Report' on the Hillsborough stadium disaster in Sheffield in 1989, when 95 spectators were crushed to death. These recommendations included:

- reducing density on terraces;
- better training of, and greater vigilance, by all those responsible for controlling and stewarding spectators; and
- painting of all emergency exit gates in perimeter fences in distinctive colours.

Football Grounds

In 1992 the Government reviewed its policy requiring all football grounds to have seated accommodation only. Clubs in the Premier League and the First Division clubs in the Football League are required to have all-seated accommodation by August 1994. This requirement has been relaxed for the Second and Third Divisions of the Football League, providing that the terracing is safe. In Scotland Premier Division clubs must meet the 1994 deadline, but First and Second Division clubs may retain the use of standing accommodation. By reducing the pool betting duty (see below), the Government is making available £100 million over five years to assist clubs in making the necessary ground improvements.

Football Licensing Authority

The Football Licensing Authority, established under the Football Spectators Act 1989, is responsible for assisting in the implementation of the all-seating policy in England and Wales, for ensuring that the terracing is safe and for monitoring the way in which local authorities carry out their functions under the Safety of Sports Grounds Act 1975.

The Football Trust

The Football Trust 1990 was established by the pool promoters and replaced the Football Grounds Improvement Trust and the earlier Football Trust. Its income is over £32 million a year and it is funded partly by the pool promoters from their spotting-the-ball competition and partly from a 2.5 per cent reduction in pool betting duty to run for five years, announced in the 1990 Budget. This reduction was made on the understanding that the money made available must be used to assist football clubs and the national stadiums to fund capital works for the comfort and safety of spectators and, in particular, all-seater stadiums in line with the recommendations of the Taylor report.

Spotting-the-ball funds are used for safety grants and projects such as closed-circuit

television, contributions to police and stewarding costs at football grounds, and community football projects.

Spectator Violence

Spectator violence associated with football both in Britain and overseas has been a subject of widespread concern, although there are signs that in recent years government policy and action have resulted in a decline in violence. The Government has worked closely with the police, football authorities and the governments of other European countries to implement measures to combat the problem. The British Government has also continued to press for the closest co-operation with the football authorities and the police and their counterparts throughout Europe. Within the Council of Europe, Britain contributes to the work of the Standing Committee on the European Convention on Spectator Violence. Britain was the first country to sign and ratify the Convention. It has welcomed the Committee's recommendation urging tough action against hooliganism, including prosecution where appropriate.

Recognising the link between excessive alcohol consumption and crowd disorder, the Government introduced legislation in Scotland in 1980 and in the rest of Britain in 1985 to establish controls on the sale and possession of alcohol at football grounds and on transport to and from grounds. Legislation has made it an offence in England and Wales to throw objects at football matches, run onto the pitch without good reason and chant indecent or racist slogans.

Courts in England and Wales have the power to prohibit convicted football hooligans from attending football matches. They also have powers to impose restriction orders on convicted football hooligans to prevent them travelling abroad to attend specified matches. Closed-circuit television has greatly assisted the police in controlling crowds and is an important evidence-gathering tool. The National Criminal Intelligence Service Football Unit co-ordinates police intelligence about football hooligans and strengthens liaison with overseas police forces.

Drug Misuse

The problem of drug-taking in sport in order to improve performance unfairly has been a cause of concern to the Government, Sports Councils and the governing bodies of sport. Following a ministerial review, the Sports Council introduced a new independent drug testing regime in 1988. This provides for random testing in and out of competition by independent sampling officers, and the publication of adverse findings. The Sports Council provides financial support for the British drug testing programme. It also funds the International Olympic Committee (IOC)-accredited laboratory at London University, which carries out analysis and research into methods of detection for new drugs that unfairly aid performance.

Legislation is planned to create a new criminal offence of providing anabolic steroids to minors. Research is being undertaken to establish the extent of the problem of steroids.

International Co-operation

The Government and the Sports Council have taken action against drug misuse at international level. In 1990 the Council of Europe developed an Anti-Doping Convention to tackle the problem of drug abuse in sport. This was a British initiative, the main aims of which are to provide an international framework within which national anti-doping campaigns can work effectively. The convention seeks to ensure that grants are given only to those sports bodies with anti-doping regulations. Signatory states are encouraged to set up doping-control laboratories meeting IOC standards, and sports governing bodies are urged to harmonise out-of-competition testing and other anti-doping regulations with those of the IOC. Testing at international events and out-of-competition testing by international sports bodies are also promoted under the new agreement. Britain has already implemented the provisions of this agreement. The Government has also signed anti-doping monitoring agreements with Australia, Canada and Norway, which

provide for the mutual testing of athletes, both in and out of competition.

OTHER ORGANISATIONS CONCERNED WITH SPORT AND RECREATION

Countryside Bodies

The Countryside Commission (for England), the Countryside Council for Wales and Scottish Natural Heritage are responsible for conserving and improving the natural beauty and amenity of the countryside, and for encouraging the provision and improvement of facilities for open-air recreation. The Countryside Commission has launched a series of policy initiatives aimed at increasing people's enjoyment of the countryside. These focus on the maintenance and sign-posting of public footpaths and other 'rights of way' and the development of national routes for long-distance walking and riding. Rural communities are encouraged to build up local facilities which promote public enjoyment of the countryside. These initiatives operate alongside established policies for helping local authorities and private bodies to provide country parks, picnic sites and informal recreation facilities.

In Northern Ireland the Ulster Countryside Committee advises the Department of the Environment on the preservation of amenities and the designation of 'areas of outstanding natural beauty'.

British Waterways Board

The British Waterways Board is a publicly owned body responsible for managing and developing much of Great Britain's inland waterways. Many leisure and recreational pursuits are enjoyed on waterways and reservoirs and in waterside buildings; these include angling and numerous types of sailing and boating, and informal recreation such as walking or industrial archaeology.

POPULAR SPORTS AND RECREATIONS

Some of the major sports and recreations in

Britain are described below. The increased provision of sports centres has improved opportunities for participating in indoor sports such as basketball, volleyball, fencing, judo, karate and other martial arts, gymnastics, squash, table tennis and shooting. Almost all outdoor sports have continued to gain in popularity, including such 'high-risk' activities as rock-climbing and sub-aqua diving. The number of people enjoying the recreational amenities of the countryside, rivers and coastline is also growing.

Sportsmen and women may be professionals (paid players) or amateurs. Some sports—like hockey and rowing—are amateur, but in others the distinction between amateur status and professional status is less strictly defined, or does not exist.

Angling

One of the most popular countryside sports is angling, and there are about 4 million anglers in Britain. Many fish for salmon and trout, particularly in the rivers and lochs of Scotland and in Wales. In England and Wales the most widely practised form of angling is for coarse fish such as pike, perch, carp, tench and bream. Separate organisations represent game (salmon and trout), coarse and sea fishing clubs in England, Wales, Scotland and Northern Ireland.

The National Federation of Anglers in England organises national championships for coarse fishing and enters a team in the world angling championships. England won the world team event in 1987, 1988 and 1991 and the individual title in 1989, 1990 and 1991.

Association Football

Association football is the largest spectator sport and one of the most popular participation sports. It is controlled by separate football associations in England, Wales, Scotland and Northern Ireland. In England 340 clubs are affiliated to the English Football Association (FA) and more than 42,000 clubs directly through regional or district associations. The FA, founded in 1863, and the Football League, founded in 1888, were both the first of their kind in the world.

In England and Wales a major change occurred in August 1992 when an FA Premier League, comprising 22 clubs, started. The remaining 70 full-time professional clubs play in three main divisions run by the Football League. In Scotland there are three divisions, with 38 clubs, which play in the Scottish Football League. A number of the leading clubs are considering forming a new Super League in Scotland. In Northern Ireland, 16 semi-professional clubs play in the Irish Football League. During the season, which lasts from August until May, over 2,000 English League matches are played; total attendances reached over 20 million in 1991–92.

The annual competitions for the FA Challenge Cup, the Coca Cola League Cup, the Tennents Scottish Cup, the Skol Cup (the Scottish League Cup), the Irish Cup and the Welsh FA Cup are organised on a knock-out basis. The finals are played at Wembley Stadium, London; at Hampden Park, Glasgow; at Windsor Park, or the Oval, Belfast; and at the National Stadium, Cardiff.

The Sports Councils have made grants available to a number of clubs and local authorities to enable them to modernise or expand football facilities in areas of urban deprivation. Grants for various improvements such as all-weather pitches are also made throughout Britain by the Football Associations and the Football Trust.

Athletics

Amateur athletics is governed in Britain by the British Athletic Federation, which is affiliated to the International Amateur Athletic Federation. International athletics and the selection of British teams are the concern of the British Athletic Federation, which also administers coaching schemes. For the Olympic Games and the world and European championships one team represents Britain.

Athletics is attracting increasing numbers of participants, both men and women, in part because of the success of British competitors and the wide coverage of athletics events on television. The London Marathon, which takes place every spring, draws leading runners from a number of countries and is a

mass-participation event—more than 25,000 runners took part in 1992.

Many British athletes, especially middle-distance runners, have enjoyed distinguished reputations: in 1954, for example, Dr (now Sir) Roger Bannister became the first man to run a mile in under four minutes. More recently, at the 1992 Olympic Games in Barcelona British athletes won two gold medals—Linford Christie (100 metres) and Sally Gunnell (400 metres hurdles)—and four bronze medals: Kriss Akabusi (400 metres hurdles), Steve Backley (javelin) and the men's and women's 4 x 400 metres relay teams. In September 1992 Britons held world records in a number of events, including the 800 metres (Sebastian Coe), the mile (Steve Cram) and the javelin (Steve Backley).

Badminton

The sport of badminton takes its name from the Duke of Beaufort's country home, Badminton House, where badminton was first played in the nineteenth century. Badminton is organised by the Badminton Association of England and the Scottish, Welsh and Irish (Ulster branch) Badminton Unions. There are also English, Welsh and Scottish schools badminton associations. Badminton is one of the fastest growing sports—around 5 million people play badminton in Britain and there are over 5,000 clubs. In 1992 badminton became a full Olympic sport and in 1993 the world championships will be held at the National Indoor Arena in Birmingham.

Basketball

Basketball is played, mainly indoors, by both men and women. There are about 1,000 registered clubs. In all, over 500,000 people participate and the sport's popularity has been increasing rapidly. The English Basket Ball Association is the governing body of the sport in England, and there are similar associations in Wales, Scotland and Northern Ireland. The leading clubs play in the National Basketball Leagues, and the main events of the year are the National Cup Finals and the Carlsberg Basketball Championships, staged in Sheffield and London.

Bowls

Bowls has been played in Britain since the thirteenth century. The game of lawn bowls is played on a flat green. In the Midlands, the north of England and north Wales a variation called crown green bowls is played, so named because the centre of the green is higher than its boundaries. Lawn and crown green bowls are mainly summer games; in winter indoor bowls takes place on synthetic greens and is growing in popularity. Once regarded as a pastime for the elderly, bowls is increasingly enjoyed by adults of all ages.

About 4,000 lawn bowling clubs are affiliated to the English, Scottish, Welsh and Irish (Northern Ireland Region) Bowling Associations, which, together with Women's Bowling Associations for the four countries, play to the rules of the International Bowling Board. Other associations, including the English Bowling Federation, are not under the Board's control. The British Crown Green Bowling Association is the governing body of crown green bowls, and has 3,200 affiliated clubs.

At the world outdoor championships in Worthing in 1992 Tony Allcock won the singles gold and Scotland won the Leonard Trophy (the team title), together with gold medals in the pairs and the fours.

Boxing

Boxing in its modern form dates from 1865, when the Marquess of Queensberry drew up a set of rules eliminating much of the brutality in prize-fighting and making skill the basis of the sport. Boxing is both amateur and professional, and in both strict medical regulations are observed.

All amateur boxing in England, including schoolboy, club, association and combined services boxing (in the armed forces), is controlled by the Amateur Boxing Association. There are separate associations in Scotland and Wales, and Northern Ireland forms part of the Irish Boxing Association. The associations organise amateur boxing championships as well as training courses for referees, coaches and others. Teams take part in international meetings, including the

Commonwealth and Olympic Games, and European and World championships. Robin Reid won a bronze medal in the light-middleweight category at the 1992 Olympics.

Professional boxing is controlled by the British Boxing Board of Control. The Board appoints inspectors, medical officers and representatives to ensure that regulations are observed and to guard against overmatching and exploitation. British boxing has a distinguished record and at various times British boxers have held European, Commonwealth and world championship titles. Britain has several World Boxing Organisation champions including Chris Eubank at super-middleweight and Patrick Clinton (flyweight). Paul Hodgkinson holds the World Boxing Council featherweight championship and Nigel Benn the super-middleweight championship.

Chess

Chess is growing in popularity and there are local chess clubs and leagues throughout Britain—the game is widely played in schools and colleges. Important domestic competitions include the British Championships (for all ages), the National Club Championships, the County Championships and the Leigh Grand Prix. The Hastings Chess Congress, dating from 1895, is the world's longest running annual international chess tournament.

In 1992 Nigel Short became the first British competitor to reach the world chess candidates' final; this will be held in January 1993 and the winner will then play the world chess champion.

The governing bodies are the British Chess Federation (responsible for England and for co-ordinating activity among the home nations), the Scottish Chess Association and the Welsh and Ulster Chess Unions.

Cricket

Cricket is among the most popular of summer sports and is sometimes called the English national game, having been played as

early as the 1550s. Among the many clubs founded in the eighteenth century is the Marylebone Cricket Club (MCC), which continues to frame the rules of the game. The MCC and the Test and County Cricket Board (representing first-class cricket) are based at Lord's cricket ground in north London, the administrative centre of the world game. Men's cricket in Britain is governed by the Cricket Council, consisting of representatives of the Test and County Cricket Board, the National Cricket Association (representing club and junior cricket), the Minor County Cricket Association, the Scottish Cricket Union, the Irish Cricket Union and the MCC.

Cricket is played in schools, colleges and universities, and in cities, towns and villages amateur teams play weekly games from late April to the end of September. Throughout Britain there is a network of league cricket.

The main competition in professional cricket is the Britannic Assurance County Championship, played by 18 county teams. Recently, matches have been a mixture of three-day and four-day games, but from 1993 the competition will consist only of four-day matches. There are also three one-day competitions—the Benson and Hedges Cup, the National Westminster Trophy, and the Sunday League. Some of the best supported games are the annual series of five-day Cornhill Insurance Test matches played between England and a touring team from Australia (touring in 1993), India, New Zealand, Pakistan, Sri Lanka or the West Indies. A team representing England usually tours one or more of these countries in the British winter. Texaco Trophy one-day international games also attract large crowds. A World Cup competition takes place every four years, and England were runners-up to Pakistan in the 1992 final.

Cricket is also played by women and girls, the governing body being the Women's Cricket Association, founded in 1926. Women's cricket clubs have regular local fixtures, usually played at weekends, and may participate in the national league and club knock-out competitions. There are regular county matches as well as an area championship and a territorial competition.

Test match series and a World Cup competition are played, with both major and minor cricketing nations taking part.

Curling

The ice sport of curling originated in Scotland, where it is now played by men and women almost exclusively on purpose-built rinks indoors. The governing body of the sport in Scotland is the Royal Caledonian Curling Club, which was formed in 1838; it has over 21,000 members. Curling is played in 24 other countries, including England and Wales. European and World championship competitions take place annually, and it was a demonstration sport at the 1992 Winter Olympics.

Cycling

There has been a resurgence of interest in cycling, both as a means of transport and as a sport and recreation, and this has led central and local government to make greater provision for cycling. Activities include road and track racing, cycle speedway, time-trialling, cyclo-cross, mountain biking, touring and bicycle moto-cross.

The British Cycling Federation is the governing body for cycling as a sport, with over 900 affiliated clubs. The Cyclists' Touring Club has 40,000 members and is the governing body for recreational and amenity cycling and represents cyclists' interests in general. The Scottish Cyclists Union controls the sport in Scotland.

Chris Boardman won a gold medal in the 1992 Olympics in the 4,000 metres individual pursuit, and in August 1992 broke the world record for 5,000 metres; on both occasions he was riding the innovative Lotus superbike.

Equestrianism

Equestrian activities include recreational riding, show jumping and carriage driving. The arts of riding and driving are promoted by the British Horse Society, which is concerned with the welfare of horses, road safety, riding rights of way and training. It runs the British Equestrian Centre at

Stoneleigh in Warwickshire. With some 57,000 members, the Society is the parent body of the Pony Club and the Riding Club movements, which hold rallies, meetings and competitions culminating in annual national championships. Leading horse trials, comprising dressage, cross-country and show jumping, are held every year at Badminton (Avon), Windsor (Berkshire), Gatcombe Park (Gloucestershire), Bramham (West Yorkshire), Burghley (Lincolnshire), Blair Castle (Tayside) and Blenheim Palace (Oxfordshire).

Show jumping is regulated and promoted by the British Show Jumping Association, which has over 17,000 members and 2,800 shows affiliated to it. The major show jumping events each year include the Royal International Horse Show at Hickstead (West Sussex); the Horse of the Year Show at Wembley in London; and the Nations Cup and Derby meetings at Hickstead.

The authority responsible for equestrian competitions (other than racing) at international and Olympic level is the British Equestrian Federation, which co-ordinates the activities of the British Horse Society and the British Show Jumping Association. British equestrian teams have a good record in international competitions. At the World Equestrian Games held in Stockholm in 1990 Great Britain gained six medals: one gold, four silver and one bronze.

Field Sports

British field sports include hunting (on horseback and on foot), fishing, shooting, stalking, falconry and coursing. Fox hunting on horseback with a pack of hounds is the most popular British hunting sport.

Game shooting as an organised sport probably originated in the late eighteenth century, and takes place in many parts of Britain. Game consists of grouse, black-game, ptarmigan, partridge and pheasant. These species are protected by law during a close season, when they are allowed to breed on numerous estates supervised by gamekeepers. It is necessary to have a licence to kill game and a certificate issued by the police to own a shot-gun.

The British Field Sports Society looks

after the interests of all field sports. Public opposition to field sports is considerable and is organised through bodies such as the League Against Cruel Sports.

Golf

Golf originated in Scotland, where for centuries it has carried the title of the Royal and Ancient Game. The oldest golf club in the world is the Honourable Company of Edinburgh Golfers. The Royal and Ancient Golf Club, the ruling authority of the sport for most of the world, is situated at St Andrews on the east coast of Scotland. Golf is played throughout Britain and there are golf courses near most towns, a few of them owned by local authorities; there are about 1,900 golf courses in Britain.

The main event of the British golfing year is the Open Championship, one of the world's leading tournaments. Other important events include the Walker Cup and Curtis Cup matches for amateurs, played between Great Britain and Ireland and the United States, and the Ryder Cup match for professionals, played between Europe and the United States. Among the leading British professional players are Nick Faldo and Ian Woosnam, both of whom have won a number of major tournaments and have recently been ranked number one in the world.

Greyhound Racing

The racing of greyhounds after a mechanical hare, one of Britain's most popular spectator sports, takes place at 36 major tracks. Meetings are usually held three times a week at each track, with at least ten races a meeting. The rules for the sport are drawn up by the National Greyhound Racing Club, the sport's judicial and administrative body. The representative body is the British Greyhound Racing Board.

There are about 50 mainly small tracks which operate independently. Like the major tracks, they are licensed by local authorities.

Gymnastics

Gymnastics is divided into four main

disciplines: artistic gymnastics, rhythmic gymnastics, sports acrobatics and general gymnastics. Both men and women compete in artistic gymnastics, although the apparatus used differs. Men use the floor, pommel horse, rings, vault, parallel bars and horizontal bar, while women exercise on the vault, asymmetric bars, beam and floor. Rhythmic gymnastics is for women only and consists of routines performed to music with ribbon, balls, clubs, hoop and rope. Sports acrobatics is gymnastics with people rather than apparatus. General gymnastics is non-competitive and is available to all age groups and to people with special needs.

In recent years the sport has increased in popularity, particularly among schoolchildren, and there are now about 1,000 clubs with some 73,000 club members and a further 10,000 individual members of the British Amateur Gymnastics Association. The Association is the national governing body, with the Welsh, Scottish and Northern Ireland Amateur Gymnastics Associations being affiliated to it.

Highland Games

Scottish Highland Games are events at which sports such as dancing and piping competitions take place and attract large numbers of spectators from all over the world. The main sports include tossing the caber, putting the weight and throwing the hammer. Among better-known Highland Games are the annual Braemar Gathering, the Argyllshire and Cowal Gatherings and a meeting at Aboyne.

Hockey (Field and Indoor)

Variants of hockey have been played in Britain for at least five centuries. The modern game was started in the nineteenth century by the Hockey Association (of England), which was founded in 1886 and acts as the governing body for men's hockey. Parallel associations serve in Scotland, Wales and Ireland. Throughout England there are some 830 men's hockey clubs, many with junior sections. Large numbers of schools also play the game; 500 are affiliated to the Hockey Association. Cup competitions and

leagues exist at national, divisional or district, and club levels both indoors (six-a-side) and outdoors, and there are regular international matches.

The controlling body of women's hockey in England is the All England Women's Hockey Association (founded in 1895), to which are affiliated some 950 clubs and about 2,000 schools; separate associations regulate the sport in Scotland, Wales and Ireland. League, county, club and school championships for both outdoor and indoor hockey are played annually in England. The first international women's hockey match took place in 1896. Regular international matches are played.

Men's and women's hockey are Olympic sports; at the 1988 Games the British men's team won a gold medal and in 1992 the women's team won a bronze medal.

Horse Racing

Horse racing takes two forms—flat racing (throughout the year) and steeplechasing and hurdle racing (normally from August to early June). The Derby, run at Epsom, is the outstanding event in the flat racing calendar. Other classic races are: the Two Thousand Guineas and the One Thousand Guineas, both run at Newmarket; the Oaks (Epsom); and the St Leger (Doncaster). The most important steeplechase and hurdle race meeting is the National Hunt Festival Meeting held at Cheltenham in March. The Grand National, run at Aintree, near Liverpool, is the world's best-known steeplechase and dates from 1837.

Racing takes place on most days, normally excluding Sundays, throughout the year. The first Sunday race meeting was held at Doncaster in July 1992.

About 14,000 horses are in training. British thoroughbreds continue to be a source of the world's best bloodstock

The Jockey Club administers all horse racing in Britain. Its rules are the basis of turf procedure and it also licenses racecourses. A new British Horseracing Board is proposed to

be set up from 1 January 1993, which will take over responsibility for race planning, racecourse policy, the racing administration budget and consultation with the industry.

Ice Skating

Ice skating became popular in Britain in the late nineteenth and early twentieth centuries and takes three main forms: ice dancing, figure skating and speed-skating. The governing body is the National Skating Association of Great Britain, founded in 1879. Participation in ice skating is concentrated among the under-25s. There are over 70 ice rinks in Britain. British couples have won the world ice dance championship 17 times.

Judo

Judo, an individual combat sport derived from the ancient Japanese art of ju-jitsu, is growing rapidly in popularity in Britain, as a sport and general fitness training method and self-defence technique. Men and women take part in judo at all levels. More than 900 judo clubs are registered with the British Judo Association, which is the official governing body of the sport throughout Britain.

At the 1992 Olympics the British judo team won four medals: two silver—Ray Stevens (half-heavyweight) and Nicola Fairbrother (lightweight)—and two bronze—Kate Howey (middleweight) and Sharon Rendle (half-lightweight). Other recent leading British exponents of the sport include Karen Briggs, Sharon Lee, Densign White, Elvis Gordon and Diane Bell.

Keep Fit/Aerobics

Various forms of movement and fitness activities are practised in Britain that include elements of eurhythmics, dance and aerobic exercise. The different organisations have varying emphases, but all are designed to develop greater physical and mental well-being. The Keep Fit Association, formed in 1956, receives funding from the Sports Council to promote physical fitness and a positive attitude to health in England. Its

national certificated training scheme for keep fit teachers is recognised by local education authorities throughout Britain. Autonomous associations serve Scotland, Wales and Northern Ireland.

There are recognised governing bodies in other activities. In addition, there are large numbers of participants in circuit and weight training and informal fitness activities.

Martial Arts

A broad range of martial arts, mainly derived from Japan, the People's Republic of China, Taiwan, Hong Kong and Korea, has been introduced into Britain during the twentieth century. There are recognised governing bodies responsible for their own activities in karate, aikido, Chinese martial arts, kendo, taekwondo and tang soo do. A review of martial arts organisations was undertaken by the Sports Council in 1990. As a result, an Advisory Group on Martial Arts was established to provide a forum for discussing martial arts issues.

Motor and Motor Cycle Sports

Motor racing and rallying, and motor cycle racing, are popular spectator sports in Britain. The governing body for four-wheeled motor sport is the RAC (Royal Automobile Club) Motor Sports Association. The Association issues licences for a variety of motoring competitions and organises the Lombard RAC Rally, an event in the contest for the World Rally Championship, and the British Grand Prix, held at the Silverstone racing circuit as part of the Formula One World Motor Racing Championship.

British car constructors including Lotus, McLaren and Williams have enjoyed outstanding successes in Grand Prix racing, and Britain has had seven world champion motor racing drivers. In 1992 Nigel Mansell won the world title. By September 1992 he had won nine of the season's races, bringing his career wins in Formula One to 30, the most recorded by a British driver.

Other popular types of motor sport include autocross, drag racing and karting.

Motor cycle sport, governed by the Auto-

Cycle Union in England and Wales and the Scottish Auto-Cycle Union and Motor Cycle Union of Ireland (in Northern Ireland), caters for all forms of competition on two or four wheels, from trials to Grand Prix road racing. The major events of the year are the Isle of Man TT races, the British Road Race Grand Prix, the Ulster Grand Prix and other world championship events for trials, motocross, speedway and track racing. The Auto-Cycle Union provides off-road training by approved instructors for riders of all ages.

Mountaineering

All forms of mountaineering, which includes hill-walking and rock-climbing, are growing in popularity. There are around 100,000 rock-climbers and 700,000 hill-walkers, whose representative body is the British Mountaineering Council; separate bodies serve Scotland and Ireland.

Britain can claim to have invented the sports of rock-climbing and alpine-climbing. The first recorded rock-climbs in Britain were made more than 100 years ago, and the Alpine Club, founded in 1857 and based in London, is the oldest mountaineering club in the world. British mountaineers have played a leading role in the exploration of the world's great mountain ranges. The best-known is Chris Bonington, who has climbed Everest and led many successful expeditions throughout the world.

Two national centres for mountain activities are run by the Sports Councils: one at Plas-y-Brenin in north Wales and the other at Glenmore Lodge, near Aviemore, in Scotland. Popular areas for rock-climbing are south-west England, the Peak District of Derbyshire, the Lake District in north-west England, Wales and the Highlands of Scotland. The Northern Ireland Centre for Outdoor Activities at Tollymore provides a focal point for those using the mountains and hills of the province.

Netball

Netball was introduced into England in 1895. It was first developed in the United States as an outdoor exercise. More than 60,000 adults

play netball regularly in England and a further 1 million participants come from schools. The sport is played almost exclusively by women and girls both indoors and outdoors.

The All England Netball Association, formed in 1926, is the governing body in England. The English Schools' Netball Association is responsible for the sport in schools. Scotland, Wales and Northern Ireland have their own governing bodies.

Rowing

Rowing is taught in many schools, colleges and rowing clubs throughout Britain. The governing body of the sport in England is the Amateur Rowing Association; similar bodies regulate the sport in Scotland, Wales and Northern Ireland. There are about 500 rowing clubs, and each year over 300 regattas and head races are held in England, Wales, Scotland and Northern Ireland under Association rules.

The University Boat Race, between eight-oared crews from Oxford and Cambridge, has been rowed on the Thames almost every spring since 1836. The Head of the River Race, also on the Thames, is the largest assembly of racing craft in the world, with more than 420 eights racing in procession. At the Henley Regatta in Oxfordshire, founded in 1839, crews from all over the world compete each July in various kinds of race over a straight course of 1 mile 550 yards (about 2.1 km).

At the 1992 Olympics Steven Redgrave and Matthew Pinsent won the coxless pairs, and Gregory Searle, Jonathan Searle and Garry Herbert (cox) the coxed pairs.

The National Water Sports Centre at Holme Pierrepont, near Nottingham (see p 440), has a rowing course of Olympic 2,000-metre standard, as does Strathclyde Park in west-central Scotland.

Rugby Football

Rugby football takes its name from Rugby

School, in Warwickshire, where it is believed to have originated in 1823. Since 1895 the game has been played according to two different codes: rugby union (a 15-a-side game) is played by amateurs and rugby league (a 13-a-side game) by professionals as well as amateurs.

Rugby union is played under the auspices of the Rugby Football Union in England and parallel bodies in Wales, Scotland and Ireland. Important domestic competitions include the divisional and county championships in England; the league and national club knock-out competitions in England and Wales; and the National League and Inter-District Championships in Scotland. The Five Nations Tournament between England, Scotland, Wales, Ireland and France is contested each year, and overseas tours are undertaken by the national sides and by the British Lions, a team representing Great Britain and Ireland.

Teams from 16 countries competed for the first world cup competition in 1987. In the second world cup staged in Britain, Ireland and France in October and November 1991 England finished runners-up to Australia.

Seven-a-side rugby union has a strong following. Tournaments include the Middlesex Sevens, which is held every year at Twickenham.

Rugby league is played mainly in the north of England. The governing body of the professional game is the Rugby Football League, which sends touring teams representing Great Britain to Australia, New Zealand and Papua New Guinea; annual matches are also played against France. A team comprising Welsh-born players who have turned professional also plays regular international fixtures. The Challenge Cup Final, the major club match of the season, is played at Wembley Stadium in London.

The amateur game is governed by the British Amateur Rugby League Association. Matches between England and France are held each year and tours are arranged to Australia and New Zealand. A national league consisting of ten leading clubs was formed in 1986, and a second division came into existence in 1989.

Sailing

Sailing has always been popular in Britain, and the Royal Yachting Association, the governing body for the sport, has about 70,000 members and 1,500 clubs and classes. Sailing in dinghies, motor yachts, windsurfers, powerboats and cruisers takes place at clubs throughout Britain. At the 1992 Olympics Robert Cruikshank, Lawrence Smith and Simon Stewart won a bronze medal in the soling class.

Skiing

Skiing takes place in Scotland from December to May and also at several English locations when there is sufficient snow. The five established winter sports areas in Scotland are Cairngorm, Glencoe, Glenshee, the Lecht and Aonach Mor, all of which have a full range of ski-lifts, prepared ski runs and professional instructors.

There are over 150 artificial or dry ski-slopes located throughout Great Britain, which are in regular use. They are used extensively by clubs and schools as well as by skiers preparing for a holiday; over a third of British skiers learned to ski on these dry ski slopes. Britain has nearly 300 ski clubs, with a membership of over 50,000. It is estimated that 1.5 million people take part in the sport.

The governing body of the sport is the British Ski Federation, and there are separate national councils for England, Scotland, Wales and Northern Ireland.

Snooker and Billiards

The character of the present game of billiards was established in Britain at the end of the seventeenth century. Snooker, a more varied game invented by the British in India in 1875, has greatly increased in popularity and become a major spectator sport as a result of heavy television coverage of the professional tournaments. It is estimated that between 7 and 8 million people now play the game. British players have an outstanding record in snooker and have dominated the major professional championships. The main tournament is the annual Embassy World

Professional Championship, held in Sheffield. In 1992 Stephen Hendry was world champion, for the second time. Other British winners since 1980 have been Steve Davis (on six occasions), John Parrott, Joe Johnson, Dennis Taylor and Alex Higgins. Mike Russell won the World Professional Billiards Championship in 1991.

The controlling body for the non-professional game is the Billiards and Snooker Control Council, which holds the copyright of the rules. The World Professional Billiards and Snooker Association is responsible for professional players, and organises professional events.

A growing number of women play snooker and billiards. Their representative body is the World Ladies Billiards and Snooker Association, with around 250 members. A women's world snooker championship is played every year in London, being won in 1991 for the fifth time by Allison Fisher. The World Masters event, staged in Birmingham, embraces men's and women's singles and doubles as well as mixed doubles. The Embassy World Professional Championship was opened to women in 1992.

Squash Rackets

Squash rackets originated at Harrow School in the 1850s. Separate governing bodies are responsible for the sport in England, Wales, Scotland and Ireland. The governing body in England is the Squash Rackets Association, formed in 1989.

Squash enjoyed a period of very rapid growth during the 1970s and remains a popular sport. There are 9,100 squash courts in England, and the estimated number of players in Britain is 2.4 million. The main tournament is the British Open Championship.

Sub-Aqua

Underwater activities include wreck and reef exploration, underwater photography, marine life study and nautical archaeology. The British Sub-Aqua Club is the governing body for all underwater

techniques. It promotes safe diving, training, science and sport. The Club is the largest of its kind in the world, with over 46,000 members and more than 1,250 branches in Britain and overseas.

Swimming

Swimming is enjoyed by millions of people in Britain, many of whom learn to swim at public baths, schools or swimming clubs. Instruction and coaching are provided by qualified teachers who hold certificates awarded by the Amateur Swimming Association, to which nearly 2,000 clubs are affiliated. Northern Ireland forms part of the Irish Amateur Swimming Association. The Associations control swimming, diving, synchronised swimming and water polo championships and competitions.

For major international competitions, such as the Olympic Games and the World and European Championships, England, Scotland and Wales compete together as one team under the auspices of the Amateur Swimming Federation of Great Britain. At the 1992 Olympics Nick Gillingham won a bronze medal in the 200 metres breaststroke.

Table Tennis

The origins of table tennis are uncertain, but it developed in Britain from around the middle of the nineteenth century, becoming an Olympic sport in 1988. In addition to being one of the most popular indoor sports for young people, it is played by a broad age range of adults, with men outnumbering women. Requiring relatively simple and inexpensive equipment, table tennis is played in schools, youth clubs and private clubs.

The governing body for men's and women's table tennis in England is the English Table Tennis Association, to which some 4,500 clubs are affiliated. There are separate governing bodies in Scotland, Wales and Northern Ireland.

Tennis

The modern game of tennis originated in England in 1872 and the first championships were played at Wimbledon in 1877. The controlling body in Great Britain, the Lawn Tennis Association, was founded in 1888; Northern Ireland forms part of the Irish Lawn Tennis Association.

The main event of the year is the annual Wimbledon fortnight, one of the four tennis 'grand slam' tournaments. This draws large crowds, with the ground at the All England Club accommodating around 30,000 spectators. Prize money totalled £4.4 million in 1992. There are also national and county championships and national competitions for boys' and girls' schools. Short tennis is often played by children under 10.

Tenpin Bowling

Tenpin bowling is played at nearly 200 indoor bowling centres throughout Britain. More than 25,000 people belong to the sport's governing body, the British Tenpin Bowling Association.

Volleyball

Volleyball was established in Britain in the 1950s, having first been played in the United States at the end of the nineteenth century. The number of registered players in Britain grew substantially in the 1980s, with men at first far outnumbering women; today, of the total of 25,000 registered players, about 11,000 are women. Volleyball is popular among schoolchildren and university and college students. Mini-volley is a version of the game adapted for children under 13. Although volleyball can be played outdoors, it is normally played in indoor sports halls.

The English Volleyball Association, the Scottish Volleyball Association, the Welsh Volleyball Association, and the Northern Ireland Volleyball Association act as the sport's governing bodies.

Appendix 1: Government Departments and Agencies

An outline of the principal functions of the main government departments and executive agencies (see p 50) is given below.

Arrangement is by the following subject areas: economic affairs; legal affairs; external affairs and defence; social affairs, the environment and culture; Northern Ireland; Scotland; and Wales.

Each section is divided into Cabinet ministries and other departments. Executive agencies are listed under the relevant department.

The Cabinet Office is described on p 46. The responsibilities of the Office of Public Service and Science are described on p 50.

The work of many of the departments and agencies listed on pp 458–65 covers Britain as a whole. Where this is not the case, the following abbreviations are used:

—(GB) for functions covering England, Wales and Scotland;

—(E,W & NI) for those covering England, Wales and Northern Ireland;

—(E & W) for those covering England and Wales; and

—(E) for those concerned with England only.

The principal address and telephone number of each department are given.

Economic Affairs

CABINET MINISTRIES

Ministry of Agriculture, Fisheries and Food

Whitehall Place, London SW1A 2HH
Tel: 071 270 3000

Policies for agriculture, horticulture, fisheries

and food; responsibilities for related environmental and rural issues (E); food policies.

Executive Agencies

Agricultural Development and Advisory Service

Central Science Laboratory
Central Veterinary Laboratory
Intervention Board for Agricultural Produce
Veterinary Medicines Directorate

Department of Employment

Caxton House, Tothill Street, London SW1H 9NF
Tel: 071 273 3000

The Employment Service; employment; training; health and safety at work; industrial relations; equal opportunities; co-ordinating government policy on issues of particular concern to women; statistics on labour and industrial matters (GB); the Careers Service (E); international representation on employment matters.

Executive Agency

Employment Service

Department of Trade and Industry

Ashdown House, 123 Victoria Street, London SW1E 6RB
Tel: 071 215 5000

Industrial and commercial affairs; promotion of new enterprise and competition; information about new business methods and opportunities; investor protection and consumer affairs. Specific responsibilities include innovation policy; regional industrial policy and inward investment promotion;

small businesses; management best practice and business/education links; deregulation; international trade policy; commercial relations and export promotion; competition policy; company law; insolvency; radio regulation; patents and copyright protection (GB). Responsibilities also include most of the responsibilities of the former Department of Energy (abolished in April 1992), including the development of new sources of energy and the Government's relations with the energy industries.

Executive Agencies

Accounts Services Agency
Companies House
Insolvency Service
Laboratory of the Government Chemist
National Engineering Laboratory
National Physical Laboratory
National Weights and Measures Laboratory
Patent Office
Radiocommunications Agency
Warren Spring Laboratory

Department of Transport

2 Marsham Street, London SW1P 3EB
Tel: 071 276 3000
Land, sea and air transport; sponsorship of London Transport and British Rail; domestic and international civil aviation; international transport agreements; shipping and the ports industry; marine pollution; oversight of road transport (GB); motorways and trunk roads; road safety; oversight of local authority transport (E).

Executive Agencies

Vehicle Inspectorate Executive Agency
Driver and Vehicle Licensing Agency
Driving Standards Agency
Vehicle Certification Agency
Transport Research Laboratory

HM Treasury

Parliament Street, London SW1P 3AG
Tel: 071 270 3000
The formulation and implementation of

economic policy; the planning of spending and taxation; and the central framework of Civil Service management and pay. General oversight of the financial system.

OTHER DEPARTMENTS

HM Customs and Excise

New King's Beam House, 22 Upper Ground, London SE1 9PJ Tel: 071 620 1313

Collecting and accounting for Customs and Excise revenues, including value added tax; agency functions, including controlling certain imports and exports and compiling trade statistics.

ECGD (Export Credits Guarantee Department)

2 Exchange Tower, Harbour Exchange Square, London E14 9GS Tel: 071 512 7000
Provision of insurance for exporters against the risk of not being paid for goods and services; access to bank finance for exports; insurance cover for new investment overseas.

Board of Inland Revenue

Somerset House, London WC2R 1LB
Tel: 071 438 6622
Administration and collection of direct taxes; valuation of property (GB).

Paymaster General's Office

Sutherland House, Russell Way, Crawley, West Sussex RH10 1UH Tel: 0293 560999
Provision of banking services for government departments other than the Boards of Inland Revenue and Customs and Excise, and the payment of public service pensions.

Central Statistical Office

Great George Street, London SW1P 3AQ
Tel: 071 270 3000
Preparing and interpreting key economic statistics needed for government policies; collecting and publishing business statistics; publishing annual and monthly statistical digests.

REGULATORY BODIES

The Office of Electricity Regulation (OFFER)

Hagley House, Hagley Road, Birmingham B16 8QG Tel: 021 456 2100

Regulation and monitoring of the electricity supply industry; promotion of competition in the generation and supply of electricity; ensuring that companies comply with the licences under which they operate; protection of consumer interests (GB).

Office of Gas Supply (OFGAS)

Southside, 105 Victoria Street, London SW1E 6QT Tel: 071 828 0898

Regulating and monitoring of British Gas to ensure value for money for customers, and granting authorisations to other suppliers of gas through pipes; enabling development of competition in the industrial market.

Office of Telecommunications (OFTEL)

Export House, 50 Ludgate Hill, London EC4M 7JJ Tel: 071 634 8700

Monitoring of telecommunications operators' licences; enforcing competition legislation; representing users' interests.

Office of Water Services (OFWAT)

Centre City Tower, 7 Hill Street, Birmingham B5 4UA Tel: 021 625 1300

Monitoring the activities of companies appointed as water and sewerage undertakers (E & W); regulation of prices and representing customers' interests.

Legal Affairs

CABINET MINISTRY

The Lord Chancellor's Department

Trevelyan House, 30 Great Peter Street, London SW1P 2BY Tel: 071 210 8500

Administration of the Supreme Court (Court of Appeal, High Court, Crown Court), the county courts, and the magistrates' courts (E & W), together with certain other courts and tribunals and the Council on Tribunals.

Responsibility for the Northern Ireland Court

Service; national archives (maintained by the Public Record Office see below); the Public Trust Office and the Official Solicitor's Department.

All work relating to judicial and quasi-judicial appointments (see p 111). Overall responsibility for civil and criminal legal aid, for the Law Commission and for the promotion of general reforms in the civil law. (The Home Office has important responsibilities for the criminal law.) Lead responsibility for private international law. The Legal Services Ombudsman and the Advisory Committee on Legal Education and Conduct are independent of the Department but report to the Lord Chancellor.

Executive Agencies

HM Land Registry
Public Record Office

OTHER DEPARTMENTS

Crown Prosecution Service

4-12 Queen Anne's Gate, London SW1H 9AZ Tel: 071 273 8152

An independent organisation responsible for the prosecution of criminal cases resulting from police investigations, headed by the Director of Public Prosecutions and accountable to Parliament through the Attorney General, superintending minister for the service (E & W).

Legal Secretariat to the Law Officers

9 Buckingham Gate, London SW1E 6JP Tel: 071 828 7155

Supporting the Law Officers of the Crown (Attorney General and Solicitor General) in their functions as the Government's principal legal advisers (E & W).

The Attorney General, who is also Attorney General for Northern Ireland, is the Minister responsible for the Treasury Solicitor's Department (see below), and has a statutory duty to superintend the Crown Prosecution Service (see above), the Serious Fraud Office (see p 461), and the Director of Public Prosecutions for Northern Ireland.

Parliamentary Counsel

36 Whitehall, London SW1A 2AY

Tel: 071 210 6633

Drafting of government Bills (except those relating exclusively to Scotland); advising departments on parliamentary procedure (E, W & NI).

HM Procurator General and Treasury Solicitor's Department

Queen Anne's Chambers, 28 Broadway, London SW1H 9JS Tel: 071 210 3000

Provision of a legal service for a large number of government departments. Duties include instructing Parliamentary Counsel on Bills and drafting subordinate legislation; providing litigation and conveyancing services; and giving general advice on interpreting and applying the law (E & W).

Lord Advocate's Department and Crown Office (see p 464)**Serious Fraud Office**

Elm House, 10-16 Elm Street, London WC1X 0BJ Tel: 071 239 7272

Investigating and prosecuting serious and complex fraud under the superintendence of the Attorney General (E, W & NI).

External Affairs and Defence**CABINET MINISTRIES****Ministry of Defence**

Main Building, Whitehall, London SW1A 2HB Tel: 071 218 9000

Defence policy and control and administration of the armed services.

Defence Support Agencies

Chemical and Biological Defence

Establishment

Directorate General of Defence Accounts

Hydrographic Office

Military Survey

Naval Aircraft Repair Organisation

RAF Maintenance

Service Children's Schools (North West Europe)

Executive Agencies

Defence Research Agency

Duke of York's Royal Military School

Meteorological Office

Queen Victoria's School

Foreign & Commonwealth Office

King Charles Street, London SW1A 2AH

Tel: 071 270 3000

Conduct of Britain's overseas relations, including advising on policy, negotiating with overseas governments and conducting business in international organisations, promoting British exports and trade generally; administering aid (see below). Presenting British ideas, policies and objectives to the people of overseas countries; administering the remaining dependent territories; and protecting British interests abroad and British nationals overseas, including the provision of consular facilities to British citizens overseas.

OTHER DEPARTMENTS**Overseas Development Administration**

94 Victoria Street, London SW1E 5JL

Tel: 071 917 7000

Responsibility for Britain's overseas aid to developing countries, for global environmental assistance, and also for the joint administration, with the Foreign & Commonwealth Office, of assistance to Eastern Europe and the countries of the former Soviet Union. Responsibility for overseas superannuation.

Executive Agency

Natural Resources Institute

Social Affairs, the Environment and Culture**CABINET DEPARTMENTS****Department for Education**

Sanctuary Buildings, Great Smith Street, London SW1P 3BT Tel: 071 925 5000

Formulates and promotes policies for

education (E); responsible for the Government's relations with universities (GB).

Executive Agency

Teacher's Pensions Agency

Department of the Environment

2 Marsham Street, London SW1P 3EB

Tel: 071 276 4438

Policies for local government finance and structure, housing, construction, inner cities, environmental protection, water industry, energy efficiency, the countryside and rural areas, land use planning and the Government estate, including the Property Services Agency (GB).

Executive Agencies

Building Research Establishment

Ordnance Survey (see p 463)

Planning Inspectorate

Queen Elizabeth II Conference Centre

The Buying Agency

Department of Health

Richmond House, 79 Whitehall, London

SW1A 2NS Tel: 071 210 3000

National Health Service; personal social services provided by local authorities; and certain aspects of public health, including hygiene (E).

Executive Agencies

Medicines Control Agency

NHS Estates

Home Office

50 Queen Anne's Gate, London SW1H

9AT Tel: 071 273 3000

Administration of justice; criminal law; treatment of offenders, including probation and the prison service; the police; crime prevention; fire service and emergency planning; licensing laws; regulation of firearms and dangerous drugs; electoral matters and local legislation (E & W).

Gaming (GB). Passports, immigration and nationality; race relations; royal matters.

Responsibilities relating to the Channel Islands and the Isle of Man.

Executive Agencies

Fire Service College

Forensic Science Service

Passport Agency

Department of National Heritage

Horse Guards Road, London SW1P 3AL

Tel: 071 270 3000.

The arts (GB); public libraries; local museums and galleries; tourism; sport; heritage – including listing and scheduling buildings, and royal parks and palaces (E); broadcasting; press complaints; film industry; export licensing of antiques; the national lottery.

Executive Agencies

Historic Royal Palaces

Department of Social Security

Richmond House, 79 Whitehall, London

SW1A 2NS Tel: 071 210 3000

The social security system (GB). Three executive agencies cover the main aspects of the Department's work: the Information Technology Services Agency; the Benefits Agency; and the Contributions Agency. A fourth agency, the Resettlement Agency, runs residential units designed to help single homeless people.

OTHER DEPARTMENTS AND AGENCIES

Central Office of Information

Hercules Road, London SE1 7DU

Tel: 071 928 2345

An executive agency providing publicity material and other information services for government departments and publicly funded organisations.

HMSO (Her Majesty's Stationery Office)

St Crispins, Duke Street, Norwich NR3 1PD

and Sovereign House, Botolph Street, Norwich NR3 1DN Tel: 0603 622211

An executive agency providing stationery, office machinery and furniture, printing and related services to Parliament, government departments and other public bodies.
Publishing and selling government documents.

Ordnance Survey

Romsey Road, Maybush, Southampton
SO9 4DH Tel: 0703 792000

An executive agency providing official surveying, mapping and associated scientific work covering Great Britain and some overseas countries (see p 462).

Office of Population Censuses and Surveys

St Catherine's House, 10 Kingsway, London
WC2B 6JP Tel: 071 242 0262

A department responsible for administration of the marriage laws and local registration of births, marriages and deaths; provision of population estimates and projections and statistics on health and other demographic matters. Census of Population (E & W).
Surveys for other government departments and public bodies (GB).

Office for Standards in Education (OFSTED)

Elizabeth House, York Road, London SE1
7PH Tel: 071 925 6773

Monitoring standards in English schools; regulating the work of independent registered schools inspectors (E) (see p 159).

Northern Ireland

CABINET MINISTRY

Northern Ireland Office

Stormont, Belfast BT4 3ST Tel: 0232 763255
Whitehall, London SW1A 2AZ
Tel: 071 210 3000

NORTHERN IRELAND DEPARTMENTS

Department of Agriculture for Northern Ireland

Development of agricultural, forestry and

fishing industries; rural development; veterinary, scientific and advisory services; administration of European Community support and other arrangements.

Department of Economic Development for Northern Ireland

Development of industry and commerce, as well as administration of government policy on tourism, energy, minerals, industrial relations, employment equality, consumer protection, health and safety at work and company legislation. Administration of an employment service and training schemes through the Training and Employment Agency and assistance to industry through the Industrial Development Board for Northern Ireland.

Department of Education for Northern Ireland

Control of the five education and library boards and education as a whole from nursery to higher and continuing education; youth services; sport and recreation; cultural activities and the development of community relations within and between schools.

Department of the Environment for Northern Ireland

Environmental protection; housing; planning; roads; transport and traffic management; vehicle licensing and taxation (including the Driver and Vehicle Testing Agency); harbours, water and sewerage; Ordnance Survey (an executive agency); maintenance of public records; certain controls over local government; and the Rates Collection Agency, an executive agency.

Department of Finance and Personnel

Control of public expenditure; liaison with HM Treasury and the Northern Ireland Office on financial matters, economic and social research and analysis; European Community co-ordination; charities; Valuation and Lands Service; policies for equal opportunities and personnel management; and management and control of the Northern Ireland Civil Service.

Department of Health and Social Services for Northern Ireland
Health and personal social services; social legislation; and the Office of the Registrar-General.

The Social Security Agency, which came into operation in 1991, has responsibility for the administration of all social security benefits and the collection of National Insurance contributions.

Scotland

CABINET MINISTRY

Scottish Office

St Andrew's House, Edinburgh EH1 3D6E
Tel: 031 556 8400

Dover House, Whitehall, London
SW1A 2AU Tel: 071 270 3000

The Scottish Office's responsibilities are discharged principally through its five departments (which include four executive agencies). There are also four smaller departments: the Registers of Scotland (an executive agency); the Scottish Record Office; the General Register Office for Scotland; and the Scottish Courts Administration.

An outline of the functions of the main Scottish departments is given below:

Scottish Office Agriculture and Fisheries Department

Promotion of the agricultural and fishing industries, including the Agricultural Scientific Services Agency, an executive agency, and enforcement of fisheries laws and regulations through the Scottish Fisheries Protection Agency.

Scottish Office Environment Department

Environment, including environmental protection, nature conservation and the countryside; land use planning; water supplies and sewerage; local government, including finance; housing; building control; protection and presentation to the public of historic buildings and ancient monuments through Historic Scotland, an executive agency.

Scottish Office Education Department
Education (excluding universities); student awards; the arts, libraries, museums and galleries; Gaelic language; sport and recreation.

Scottish Office Home and Health Department

Central administration of law and order (including police service, criminal justice, legal aid and penal institutions); the National Health Service; fire, home defence and civil emergency services; social work services.

Scottish Office Industry Department

Industrial and regional economic development matters; co-ordination of Scottish Office European interests; employment; training; energy; tourism; urban regeneration; new towns; roads and certain transport functions, particularly in the Highlands and Islands.

Central Services

Services to the five Scottish departments. These include the Office of the Solicitor to the Secretary of State, the Scottish Office Information Directorate, Finance, Personnel Management and Office Management Divisions.

The following are directly responsible to the Law Officers and are not part of the Scottish Office:

Lord Advocate's Department and Crown Office

Fielden House, 10 Great College Street, London SW1P 3SL Tel: 071 276 3000
Provision of legal advice to the Government on issues affecting Scotland; responsibility for drafting government primary legislation relating to Scotland and adapting for Scotland other primary legislation. Provision of advice on matters of parliamentary procedure affecting Scotland.

Crown Office

5-7 Regent Road, Edinburgh EH7 5BL
Tel: 031 557 3800
Control of all prosecutions in Scotland.

Wales

CABINET MINISTRY

Welsh Office

Cathays Park, Cardiff CF1 3NQ

Tel: 0222 825111

Gwydyr House, Whitehall, London

SW1A 2ER Tel: 071 270 3000

Many aspects of Welsh affairs, including health, community care and personal social services; education, except for terms and conditions of service, student awards and the University of Wales; the Welsh language and culture; agriculture and fisheries; forestry; local government; housing; water and sewerage; environmental protection; sport;

land use, including planning; countryside and nature conservation; ancient monuments and historic buildings (through CADW, an executive agency).

The Department's responsibilities also include roads; tourism; enterprise and training; selective financial assistance to industry; the Urban Programme and urban investment grants in Wales; the operation of the European Regional Development Fund in Wales and other European Community matters; women's issues; non-departmental public bodies; civil emergencies; all financial aspects of these matters, including Welsh revenue support grant; and oversight responsibilities for economic affairs and regional planning in Wales.

Appendix 2: Recent White Papers and Green Papers

Some of the main policy documents issued by the Government in the period from January 1990 to the beginning of October 1992 are given below. Where an annual White Paper is issued (such as the Defence White Paper), the latest version is given. Unless otherwise indicated, the publications are White Papers. All the publications are available from HMSO, unless otherwise stated. Prices apply in Britain and exclude the cost of postage and packing.

Chapter 2: Government

The Citizen's Charter. Raising the Standard. July 1991. Cm 1599. £8.50. ISBN 0 10 115992 7.

Competing for Quality: Buying Better Public Services. November 1991. Cm 1730. £6.85. ISBN 0 10 117302 4.

Chapter 4: Defence

Statement on the Defence Estimates 1992. July 1992. Cm 1981. £8.50. ISBN 0 10 119812 4.

Chapter 5: Justice and the Law

Crime, Justice and Protecting the Public. February 1990. Cm 965. £7.55. ISBN 0 10 109652 6.

Custody, Care and Justice: The Way Ahead for the Prison Service in England and Wales. September 1991. Cm 1647. £11.20. ISBN 0 10 116472 6.

Chapter 6: Social Welfare

The Way Ahead: Benefits for Disabled People. January 1990. Cm 917. £7.50. ISBN 0 10 109172 9.

Children Come First: The Government's Proposals on the Maintenance of Children. October 1990. Cm 1263 and 1264 (two volumes, not sold separately). £13.50. ISBN 0 10 112642 5.

The Health of the Nation: A Strategy for Health in England. July 1992. Cm 1986. £13.60. ISBN 0 10 119862 0.

Scotland's Health—A Challenge To Us All. Policy statement. July 1992. £19.50. ISBN 0 11 494218 8.

Chapter 7: Education

Education and Training for the 21st Century [covers England and Wales]. May 1991. Cm 1536 (two volumes, not sold separately). £11. ISBN 0 10 115362 7.

Access and Opportunity: A Strategy for Education and Training [covers Scotland]. May 1991. Cm 1530. £5.50. ISBN 0 10 115302 8.

Higher Education: A New Framework. May 1991. Cm 1541. £6.60. ISBN 0 10 115412 7.

Choice and Diversity: A New Framework for Schools [covers England and Wales]. July 1992. Cm 2021. £8.60. ISBN 0 10 120212 1.

Chapter 9: Environmental Protection

This Common Inheritance: Britain's Environmental Strategy. September 1990. Cm 1200. £27. Supplied with a free summary, also available separately at £2.50. ISBN 0 10 112002 8.

This Common Inheritance: The Second Year Report. Progress report on policy. October 1992. Cm 2068. £21. ISBN 0 10 120682 8.

Chapter 11: National Economy

Autumn Statement 1991. November 1991. Cm 1729. £10. ISBN 0 10 117292 3.

Chapter 14: Financial and Other Service Industries

Banking Services: Law and Practice. March 1990. Cm 1026. £6.20. ISBN 0 10 110262 3.

Chapter 15: Energy and Natural Resources

Privatisation of Northern Ireland Electricity. March 1991. Cm 1469. £3.60. ISBN 0 10 114692 2.

Chapter 16: Agriculture

Our Farming Future. Policy statement. November 1991. Available free from Ministry of Agriculture, Fisheries and Food.

Chapter 17: Transport and Communications

Competition and Choice: Telecommunications Policy for the 1990s. March 1991. Cm 1461. £8.65. ISBN 0 10 114612 4.

New Opportunities for the Railways: The Privatisation of British Rail. July 1992. Cm 2012. £5.40. ISBN 0 10 120122 2.

Chapter 18: Employment

Industrial Relations in the 1990s. Green Paper. July 1991. Cm 1602. £6.60. ISBN 0 10 116022 4.

People, Jobs and Opportunity. February 1992. Cm 1810. £8.60. ISBN 0 10 118102 7.

Chapter 19: Public Finance

The Government's Expenditure Plans 1992-93 to 1994-95. A series of White Papers issued in February for each of the main departments.

Financial Statement and Budget Report 1992-93. Policy statement. March 1992. £9.65. ISBN 0 10 231992 8.

Budgetary Reform. March 1992. Cm 1867. £2.40. ISBN 0 10 118672 X.

Chapter 25: Sport and Active Recreation

Sport and Active Recreation. Policy document. December 1991. Available free from Department of National Heritage.

A National Lottery: Raising Money for Good Causes. March 1992. Cm 1861. £3.80. ISBN 0 10 118612 6.

Full purchasing details of British Government publications can be obtained from the annual list *Government Publications*, issued by HMSO, which has agents overseas. The list includes all Bills and Acts of Parliament and the official parliamentary report *Hansard*, White Papers and most of the publications of government departments, including the Central Statistical Office, which publishes a *Guide to Official Statistics*. HMSO also sells in Britain many titles published by international organisations such as the United Nations and the European Community.

A Catalogue of British Official Publications not Published by HMSO, published by Chadwyck-Healey, lists the more specialised departmental publications. Details of this and other commercial publications are available from bookshops or, overseas, from the British Council.

Appendix 3: Statistical Annex

All the following statistics, apart from some relating to the labour market, cover England, Wales, Scotland and Northern Ireland. Some figures may be subject to revision at a later stage.

Gross Domestic Product (GDP)				
	1985	1989	1990	£ million 1991
GDP at market prices ^a	357,268	515,317	550,350	574,146
GDP at factor cost ^b	307,901	441,136	479,452	497,001
GDP at factor cost at 1985 prices	307,901	356,698	358,980	350,303
Value indices at current prices				
—GDP at factor cost (1985 = 100)	100.0	143.3	155.7	161.4
<i>Percentage change since previous year</i>	—	+10.0	+8.7	+3.7
Volume indices at 1985 prices—GDP at factor cost				
	100.0	115.8	116.6	113.8
^a Market prices are the prices people pay for goods and services.				
^b Factor cost is the cost of goods and services before adding taxes and subtracting subsidies.				
Output				
	1985	1989	1990	1991
Output of production industries (1985 = 100)	100.0	109.9	109.3	106.1
Output per person employed (1985 = 100)				
Whole economy	100.0	107.5	107.5	108.0
<i>Percentage change since previous year</i>	n.a.	-0.4	—	+0.5
Manufacturing	100.0	120.8	121.9	122.5
<i>Percentage change since previous year</i>	n.a.	+4.0	+0.9	+0.5
n.a. = not available				

Retail Sales				
	1985	1989	1990	1991
Volume index (average 1985 prices) 1985 = 100	100.0	119.9	120.4	119.5
<i>Percentage change since previous year</i>	—	+1.9	+0.4	-0.7
Value in current prices (1985 = 100)	100.0	137.4	146.4	153.5
<i>Percentage change since previous year</i>	—	+6.7	+6.6	+4.8

Prices					
	Jan 1987	1989	1990	1991	June 1992
Retail prices index ^a (Jan 1987 = 100)	100.0	115.2	126.1	133.5	139.3
<i>Percentage change since previous year</i>	—	+7.8	+9.5	+5.9	+3.9
Tax and price index ^b (Jan 1987 = 100)	100.0	110.9	119.9	126.5	130.2

^a All items except seasonal food

^b This measures the change in gross income, in June of each year, needed for taxpayers to maintain their purchasing power, allowing for changes in the retail prices index.

Labour Market ^a					Thousands
	1985	1989	1990	1991	June 1992
Employees in employment	21,414	22,670	22,895	22,221	21,749
Self-employed	2,614	3,253	3,298	3,143	2,990
Unemployment	3,028	1,784	1,663	2,287	2,724
Percentage of workforce	10.9	6.3	5.8	8.1	9.6
Increase in earnings on previous year	n.a.	+9.1	+9.7	+8.0	+6.1

^a Figures for employees in employment and self-employment are for June each year and are seasonally adjusted. Other figures are annual averages, except for June 1992. The figures for unemployment are seasonally adjusted, while those for earnings are not seasonally adjusted and are for Great Britain.

n.a. = not available

Overseas Trade				£ million
	1985	1989	1990	1991
Visible trade:				
Exports (fob) ^a	77,991	92,154	101,718	103,413
Imports (fob) ^a	81,336	116,837	120,527	113,703
Visible balance	-3,345	-24,683	-18,809	-10,290
Invisibles balance	+6,136	+2,956	+1,778	+3,969
Current balance	+2,790	-21,726	-17,029	-6,321

^aFree on board, that is, all costs accruing up to the time of placing the goods on board the exporting vessel having been paid by the vendor.

Sources

The following Central Statistical Office publications:

United Kingdom National Accounts 1992 Edition

United Kingdom Balance of Payments 1992

Monthly Digest of Statistics

CSO press notices

Department of Employment *Employment Gazette*

Other Official Statistical Publications

A number of other important official statistical publications are produced. Those used in the preparation of *Britain: An Official Handbook* include:

Social Trends

Population Trends

Regional Trends

General Household Survey

Criminal Statistics, England and Wales

Criminal Statistics, Scotland

Education Statistics for the United Kingdom

Housing and Construction Statistics

Digest of Environmental Protection and Water Statistics

Digest of UK Energy Statistics

Transport Statistics, Great Britain

Appendix 4

METRIC CONVERSIONS FOR BRITISH WEIGHTS AND MEASURES

Length	1 inch	=	2.54 centimetres
12 inches	= 1 foot	=	30.48 centimetres
3 feet	= 1 yard	=	0.914 metre
1,760 yards	= 1 mile	=	1.609 kilometres
Area	1 square inch	=	6.452 square centimetres
144 square inches	= 1 square foot	=	929.03 square centimetres
9 square feet	= 1 square yard	=	0.836 square metre
4,840 square yards	= 1 acre	=	0.405 hectare
640 acres	= 1 square mile	=	2.59 square kilometres
Capacity	1 pint	=	0.568 litre
2 pints	= 1 quart	=	1.136 litres
4 quarts	= 1 gallon	=	4.546 litres
8 gallons	= 1 bushel	=	36.37 litres
8 bushels	= 1 quarter	=	2.909 hectolitres
Weight (Avoirdupois)	1 ounce (oz)	=	28.35 grammes
16 oz	= 1 pound (lb)	=	0.454 kilogramme
14 lb	= 1 stone (st)	=	6.35 kilogrammes
112 lb	= 1 hundredweight (cwt)	=	50.8 kilogrammes
20 cwt (2,240 lb)	= 1 long ton	=	1.016 tonnes
2,000 lb	= 1 short ton	=	0.907 tonne

Double Conversion Tables for Measures and Weights

(Use the figures in the central column with those to the left or right, depending on which conversion is required. For example, 1 centimetre = 0.394 inch, and 1 inch = 2.540 centimetres.)

Centi- metres	Inches	Metres	Yards	Kilo- metres	Miles	Hec- tares	Acres
2.540	1 0.394	0.914	1 1.094	1.609	1 0.621	0.405	1 2.471
5.080	2 0.787	1.829	2 2.187	3.219	2 1.243	0.809	2 4.942
7.620	3 1.181	2.743	3 3.281	4.828	3 1.864	1.214	3 7.413
10.160	4 1.575	3.658	4 4.374	6.437	4 2.485	1.619	4 9.884
12.700	5 1.969	4.572	5 5.468	8.047	5 3.107	2.023	5 12.355
15.240	6 2.362	5.486	6 6.562	9.656	6 3.728	2.428	6 14.826
17.780	7 2.756	6.401	7 7.655	11.265	7 4.350	2.833	7 17.298
20.320	8 3.150	7.315	8 8.749	12.875	8 4.971	3.237	8 19.768
22.860	9 3.543	8.230	9 9.843	14.484	9 5.592	3.642	9 22.239
25.400	10 3.937	9.144	10 10.936	16.093	10 6.214	4.047	10 24.711

Kilo-grammes	Av. Pounds	Litres	Pints	Litres	Gallons			
0.454	1	2.205	0.568	1	1.760	4.546	1	0.220
0.907	2	4.409	1.136	2	3.520	9.092	2	0.440
1.361	3	6.614	1.705	3	5.279	13.638	3	0.660
1.814	4	8.818	2.273	4	7.039	18.184	4	0.880
2.268	5	11.023	2.841	5	8.799	22.730	5	1.100
2.722	6	13.228	3.409	6	10.559	27.276	6	1.320
3.175	7	15.432	3.978	7	12.319	31.822	7	1.540
3.629	8	17.637	4.546	8	14.078	36.368	8	1.760
4.082	9	19.842	5.114	9	15.838	40.914	9	1.980
4.536	10	20.046	5.682	10	17.598	45.460	10	2.200

THERMOMETRICAL TABLE

0° C = 32° F
 100° C = 212° F

To convert degrees Fahrenheit into degrees Celsius: subtract 32, then multiply by $\frac{5}{9}$.
 degrees Celsius into degrees Fahrenheit: multiply by $\frac{9}{5}$, then add 32.

BANK AND PUBLIC HOLIDAYS IN BRITAIN, 1993

Friday 1 January	New Year's Day
Monday 4 January	Bank Holiday (Scotland only)
Wednesday 17 March	Bank Holiday (Northern Ireland only)
Friday 9 April	Good Friday
Monday 12 April	Easter Monday (England, Wales and Northern Ireland only)
Monday 3 May	Early May Bank Holiday
Monday 31 May	Spring Bank Holiday
Monday 12 July	Orangeman's Day (Northern Ireland only)
Monday 2 August	Bank Holiday (Scotland only)
Monday 30 August	Summer Bank Holiday (England, Wales and Northern Ireland only)
Saturday 25 December	Christmas Day
Monday 27 December	Extra day because Christmas Day falls on a Saturday
Tuesday 28 December	Extra day because Boxing Day falls on a Sunday

CURRENCY

The unit of currency is the pound sterling, divided into 100 new pence (p).
 There are seven coins: £1; 50p; 20p; 10p; 5p; 2p and 1p.

Bank of England notes are issued for sums of £5, £10, £20 and £50.

Index

Items are indexed under England, Northern Ireland, Scotland or Wales only where they are matters peculiar to these countries; otherwise they are indexed under the relevant subject headings.

Bold type in a sequence of figures indicates main references.

A

Abortion 125
Accidents 320
Administrative tribunals 111
Advertising 273, 423, 433
broadcasting 433
industry 273
press, practice 423
Advisory bodies 48
Advisory, Conciliation and Arbitration Service 355
Aerospace industry 248–50
Agriculture 67, 299–316, 384, 458
Agricultural and Food Research Council 314, 384
Agriculture Development and Advisory Service 310
animals 300–2
 diseases, control of 310–11
 welfare 301
Common Agricultural Policy 305–7
crofts 308
crops 302
Department of (Northern Ireland) 463
diseases and pests, control of 310–11
European Community policies 67
exports 304–5
farming 299–300
Fisheries and Food, Ministry of 458
and Fisheries, Department of, for Scotland 464
food safety 304
government policy 299, 305–10
grants and subsidies 307–8
horticulture 302–4
land use 299
livestock 300–2
 cattle 300–1
 pigs 301
 poultry 301
 sheep 300–2
 welfare 301–2
marketing 305
 co-operatives 305
organic farming 304
pesticides 311
plant diseases and pests, control of 310–11
price guarantees 307–8

production 300–4
professional, scientific and technical services 310
protection of countryside 308–10
research 314, 384
smallholdings 308
tenancy legislation 308
veterinary medicinal products 311
Aid to developing countries 76–80, 461
economic reform 77
education 78
emergency relief 79
environment 79
health 78
poverty reduction 78
AIDS 129–30
Aircraft 86–7, 248–50, 331–2
aerospace industry 248–50
civil 331–2
military 86–7
Alcohol misuse 128–9
Alcoholic drinks 257
Ambulance services 124
Ancient monuments 190–1
Arbitration Committee, Central 355
Architecture 175
Armed forces 84–5
Arms control 75–6
chemical and biological weapons 76
conventional weapons 76
nuclear weapons 75
Army 86
combat forces 85–7
see also **Defence**
Arts 462, 395–414
administration 395–8
art market 410–11
British Council 398–9
broadcasting and 399
business sponsorship 396
centres 398
Councils 397–8
crafts 410
dance 402–5
drama 400–2
and design, training 410
festivals 399–400
films 405–7
finance 396
Foundation for Sport and 397

government policies 395
literature and libraries 411–14
minority communities 398
museums and art galleries 408–10
music 402–3
National Heritage, Department of 462
opera 403–5
Regional Arts Boards 398
visual 407–11
Atomic energy
see **Nuclear energy**
Auction houses 274

B

Balance of payments 375–7
capital flows 375–6
external assets and liabilities 376–7
Bank of England 259–60
Banking 259–63
Beverages industry 250–2
Birth rates 16–17
Blood transfusion 123–4
Books 414
Botanical gardens 392
Britain 1–5, 16–26
economic and social pattern 20–6
historical outline 1–5
physical features 1
population 16–20
social framework 16–26
see also **England, Northern Ireland, Scotland and Wales**
British Airways 331
British Broadcasting Corporation 427–9
see also **Broadcasting**
British Coal Corporation 286
British Council 398–9
British Film Institute 406
British Nuclear Fuels 291–2
British Olympic Association 440–1
British Rail 323–4
British Technology Group 390
see also **Science and technology**
British Telecom 335–6
see also **Telecommunications**
Broadcasting 337, 399, 425–37

advertising 433-4
 arts, broadcasting of 399
 audience research 435
 British Broadcasting Corporation 427-9, 435-6
 radio 428
 television 428
 World Service 435-6
 cable services 337, 432
 educational 433
 independent broadcasting 429-32
 programme companies 429
 Independent Television Commission 429
 international relations 436-7
 parliamentary 435
 policy 425
 political 435
 radio 425-6
 satellite broadcasting 432-3
 standards 434-5
 technical developments 437
 television 425
Budget 361
Building
see **Construction industry**
Building societies 183-4, 259-60, 262
Bus services 321-2
Business and Technician Education Council 158
Business services 273-4

C

Cabinet 45-6
 meetings 45
 Office 46
Cable TV 337, 432
Cancer screening 131
Capital 363, 375
 flows 375
 taxes on 363
see also **Taxation and duty**
Cars
see **Motor vehicles**
Catering trades 272-3
Central Statistical Office 459
Ceramics 241
Channel Islands 4-5
 historical outline 4-5
Charities 139-40, 390
 research sponsored by 390
Chemicals industry 242-4
Children 107-8, 124-5, 137-9, 144, 160-1, 406, 441
 child benefit 144
 child care 137-9
 adoption 138-9
 children's play 438, 441
 films for 406
 health services for 124-5, 160-1

in trouble 107-8
Churches 207-11,
 Anglican Communion 209
 co-operation among 212
 England, Church of 208-9
 Free Churches 209-10
 non-Christian religious communities 211-12
 Roman Catholic Church 210
 Scotland, Church of 209
Citizen's Charter 50
City Action Teams 176
City Grant 176-7
Civil aviation 330-4
 air traffic 331
 airports 333-4
 development 334
 ownership and control 333
 Authority 331
 British Airways 331
 government responsibilities 331
 helicopters 332
 navigation services 332
 safety 332
 traffic control 332
Civil defence 88
Civil Service 49-52
 central management 50-1
 Citizen's Charter 50
 Diplomatic Service 51
 executive agencies 50
 political and private activities 52
 promotion 52
 recruitment and training 51
 security 52
 structure 50-1
Clothing industry 252-3
Coal 285-8
 British Coal Corporation 286
 consumption 286
 industry 285-8
 production 286
 research 286-8
Commission for Racial Equality 25
Commodity, shipping and freight markets 269
Commons, House of
see **Parliament**
Commonwealth 59-60, 71-3, 461
 consultation 71-2
 dependencies 59-60
 Foreign and, Office 461
 organisations 72-3
 Secretariat 72
 technical co-operation 72
Communications *see* **Post Office and Telecommunications**
Companies 226, 236-7, 266, 273, 362
 company law 236-7
 computer services 273
 corporation tax 362
 factoring 266

management consultancy 273
 market research 273
 small firms 226
 venture capital 266
Competition policy 231-4
 anti-competitive practices 232
 European Community policy 233
 financial services 233
 monopolies and mergers 231
 Restrictive Practices Court 111
 restrictive trade practices 232
Comptroller and Auditor General 360
Computers 159-60, 273
 in schools 159-60
 services 273
Confederation of British Industry 223, 352
Conference centres 274
Conservation 175, 177-80, 190-7, 308-10, 391-2, 447
 agriculture and protection of countryside 308-10
 ancient monuments 190-1
 architectural standards 175
 areas 190-1
 areas of outstanding natural beauty 195-6
 coastal 192
 countryside bodies 192-5, 447
 derelict land, reclamation 177-80
 environmental improvement 196-7
 green belts 191-2
 historic buildings 190-1
 National Parks 194-5
 national scenic areas 195-6
 nature conservation 194-5
 open country 196
 public rights of way 196
 registers of unused and under-used land 180-1
 tree preservation 191
 voluntary sector 191
 World Heritage Sites 197
 zoological gardens 391-2
Construction industry 254-6
 housing 255
 overseas 255-6
 projects 255
 research and advisory services 256
 structure 254
Consumer protection 233-4
 consumer advice and information 233-4
Copyright, authors' 411-12
Coroners' courts 101
Council for National Academic Awards 163
Countryside bodies 192-5, 447
Courts 95, 97-101, 108-11
 civil 108-11
 coroners' 101
 criminal 97-101
 grant of bail by 95

Restrictive Practices Court 111
 Crafts 410
 Crime 89–90
 criminal courts 97–101
 appeals 100–1
 criminal justice 89–108
 criminal proceedings, aid in 113–14
 offenders, treatment of 101–8
 prevention 90
 statistics 89–90
 victim, helping 90–1
 Crown, The
 see Monarchy and Royal family
 Crown Office 464
 Crown Prosecution Service 460
 Cultural and social life 6–8, 9, 11,
 16
 HM Customs and Excise 365, 459

D

Dance 403–5
 dance companies 403–4
 training 404–5
 Defence 81–8, 387–8, 461
 armed forces 84–5
 Army 86
 changes in Europe 81
 civil 88
 combat forces 85–7
 commitments outside NATO area 84
 contribution to NATO 83
 Europe and NATO 84
 finance 87
 Ministry of 461
 NATO co-operation 88
 NATO policy 81–2
 Northern Ireland 83
 organisation and management 87
 personnel 84–5
 procurement 88
 research and development 88, 387–8
 reserve and auxiliary forces 85
 Royal Air Force 86–7
 Royal Navy 86
 strategic nuclear forces 85
see also North Atlantic Treaty
 Organisation
 Dependent territories 59–60
 Design 235, 410
 industrial 235
 training in 410
 Development *see* Economy and
 Regional development
 Diplomatic Service 51
 Disabled people 135–6, 144–5, 347,
 443
 benefits and pensions 144–5
 employment services for 347
 social services for 135–6
 sport for 443
 Discount houses 263

Divorce 17–18
 Drama 400–1
 amateur theatre 401
 professional theatre 400–1
 training 401
 young people, theatre for 401
 Drugs 126–7, 447
 drug abuse in sport 447

E

Economy 5–6, 8–9, 10–11, 14–15,
 20–6, 213–21, 463
 background 213–17
 employment 215
 energy 217
 inflation 213–14
 investment 215
 output, industrial 214
 productivity 215
 trade 216–17
 economic and social pattern 20–6
 Economic Development, Department
 of (Northern Ireland) 463
 England 5–6
 government policy 217–21
 economic management 219
 fiscal policy 217–18
 supply side policies 218–19
 national income and expenditure
 219–21
 Northern Ireland 14–15
 Scotland 10–11
 Wales 8–9
see also Balance of payments,
 Industry, Public finance, and
 Trade, overseas
 Education 106, 131, 148–73, 234,
 387, 401, 404–5, 406, 410, 433, 462,
 463, 464
 administration 149
 adult and continuing 168
 aids in 160
 art and design 410
 Business and Technician Education
 Council 158
 business links, and 167, 234
 careers education and guidance 160
 Council for National Academic
 Awards 163
 curriculum 155–6, 157
 dance 404–5
 Department for 461–2
 Department of (Northern Ireland)
 463
 drama 401
 educational broadcasting 433
 English (as foreign language)
 teaching 170
 examinations, secondary school 157–9
 examining bodies 165
 film production 406
 finance 149–50
 further education 164
 health 131
 higher education 162
 information technology in schools
 159–60
 music 404
 Open University 163–4
 overseas links 169–71
 English (as foreign language)
 teaching 170
 exchanges 170–1
 overseas students in Britain 169–70
 policies 148–50
 polytechnics 162
 post-school 161–9
 prison, education in 106
 progress reports 159
 qualifications 157–9
 reforms 148–9
 religious 156–7
 research on 169, 387
 schoolchildren, health
 and welfare 160–1
 schools 150–5
 management 151–2
 Scottish Education Department 464
 special educational needs 154–5
 standards of 159
 students 161–2
 teacher training 165–6
 teachers 155, 165–6
 Technical and Vocational Education
 Initiative 157
 universities 162–4
 Vocational Qualifications, National
 Council for 164–5
 youth service 171–2
see also Students, Training and
 Universities
 Elderly people 135, 142
 retirement pension 142
 social services for 135
 Elections 35–8, 54–5
 local government 54–5
 parliamentary 35–8
 Electrical engineering 245–7
 Electricity supply industry 288–93
 consumption 289
 generation 289–91
 nuclear energy 291–3
 research 293
 structure 288–9
 Electronic engineering 245–7
 Employers' organisations 351–2
 Confederation of British Industry 352
 Employment 66–7, 144–5, 145–6,
 215–16, 340–56, 458
 additional benefits 353
 conditions of 352
 Department of 458
 earnings 352
 employee share schemes 352–3
 equal opportunities 354–5

- European Community policies 66-7
 health in 355-6
 holidays 353
 industrial relations 347-55
 law 350-1, 354, 355-6
 patterns of 341
 safety in 355-6
 services 346-7
 sickness benefit 144-5
 trade unions 348-50
 training services 341-7
 Employment Training 343
 Training and Enterprise Councils 342-3
 Youth Training 343-4
 trends 215-16
 unemployment 145-6, 341
 work, hours of 353
see also individual industries
Employers' organisations, Industrial relations, Trade unions and Unemployment
Energy 276-98
 coal 285-8
 consumption 278, 281, 285, 286, 289
 efficiency 278
 electricity 288-93
 gas 279, 283-5
 natural resources 278-98
 Offshore Supplies Office 279
 oil 279-83
 policy 276-7
 renewable sources 293-5
see also Coal, Electricity supply industry, Gas, Nuclear energy and Petroleum
Engineering 235, 245-7, 251-3, 381-2
 civil engineering projects 251-3
 Council 235
 electrical 245-7
 electronic 245-7
 instrument 245-7
 marine 247-8
 mechanical 244-5
 Science and Engineering Research Council 381-2
see also individual industries
 England 1-2, 5-6, 6-8, 96-7, 100, 107-9, 111-12, 208-9, 297-8, 418
 Church of 208-9
 civil courts 108-9
 appeals 109
 criminal courts 96, 97, 100
 appeals 100
 criminal prosecutions 96
 cultural and social life 6-8
 economy 5-6
 government 5
 historical outline 1-2
 law, government responsibility in administration of 111-12
 regional newspapers 418
 water resources 297-8
 young offenders, treatment of 107-8
Enterprise Initiative 225
Enterprise zones 177
Environment 20-1, 67, 175, 177-80, 183-8, 189-206, 208-10, 383-4, 447, 462, 463
 agriculture and protection of countryside 308-10
 air, control of pollution of 201-4
 architecture 175
 coast 192
 conservation 190-7
 countryside organisations 192-4, 447
 Department of 462
 Department of (Northern Ireland) 463
 environmental improvement 196-7
 European Community policies 67
 green belts 191
 housing 20-1, 183-8
 land 177-80, 198-9
 Natural Environment Research Council 383-4
 nature conservation 194-5
 noise 204
 open country 196
 pollution control 197-206
 public rights of way 196
 radioactive waste disposal 205
 radioactivity 204-5
 recycling and materials reclamation 199
 research 205
 sea, control of pollution in 200-1
 trees and woodland 191
 water quality 199-201
see also Planning, Housing, Urban Regeneration
Equal opportunities 354-5
Ethnic minorities 24-5, 354-9, 398, 419
 arts of 398
 employment 354-5
 press 419
see also Race relations
European Community 61-71, 134, 147, 229-30, 233, 305-7, 373
 Common Agricultural Policy 67, 305-7
 competition policy 233
 European Investment Bank 230
 European Regional Development Fund 230
 finance 64
 fisheries policy 311
 health arrangements 134
 institutions 63-4
 internal policies 64-8
 agriculture 67-8
 employment 66-7
 environment 67
 fisheries 67-8
 monetary 65
 single market 64-5
 transport 65
 political co-operation 68-70
 former Soviet Union 68-9
 former Yugoslavia 69
 Middle East 68
 South Africa 69-70
 terrorism and crime 70
 regional policy and aid 229-30
 social security 147
 trade policy 70-1, 373
Exchange 268-9
 foreign exchange market 268-9
Excise duties
see Taxation and duty
Exhibition and conference centres 274
Expenditure 220-1, 357-61, 363-5
 personal 220-1
 public 221, 357-61
 taxes on 363-5
see also Public expenditure
Exports 374-5, 459
 controls 374-5
 credit insurance 375
 ECGD (Export Credits Guarantee Department) 375, 459
see also individual industries and Trade, overseas
-
- F**
- Factoring companies** 266
Families 120-1, 137-9, 146
 family credit 146
 health services for 120-1
 social services for 137-9
Family planning 125
Farming *see* Agriculture
Films 405-7
 British Film Institute 406
 children's 406
 cinema licensing 407
 film classification 407
 government support 405-6
 training in production of 406
 videos 407
Finance and Personnel, Department of (Northern Ireland) 463
Financial institutions 183-4, 233, 257-69
 Bank of England 259-60
 British overseas banks 263
 building societies 183-4, 259-60, 262
 commodity, shipping and freight markets 269
 discount houses 263
 euromarkets 268
 European Investment Bank 230
 factoring companies 266
 finance houses 266
 financial futures 269

financial markets 267–9
 financial services 233
 foreign exchange market 268–9
 insurance 263–4
 investment and unit trusts 265–6
 leasing companies 266
 London bullion market 269
 merchant banks 262–3
 money markets 267–8
 National Savings Bank 263
 overseas banks 263
 pension funds 265
 retail banks 260
 securities markets 264
 Stock Exchange 267
 supervision 258–9
 venture capital companies 266
see also Insurance
 Fisheries 311–14, 315
 administration 313
 European Community policy 311–12, 313
 farming 312–13
 fleet 312
 landings 312
 limits 313
 research 315
 Food 132, 250–2, 300–5, 314, 384
 Agricultural and Food Research Council 314, 384
 exports 304–5
 home production 300–4
 industries 250–2
 marketing 305
 research 314, 384
 safety of 132, 304
 Footwear industry 252–3
 Foreign & Commonwealth Office 461
 Forestry 315–16
 Commission 316
 Northern Ireland 316
 policy 316
 research 316
 Freight services 321, 325, 328
 Fuel *see* Coal, Electricity supply industry, Energy, Gas, Nuclear energy and Petroleum

G

Gambling 445
Gas 283–5
 Office of Gas Supply 283–5, 460
 offshore 283–5
 consumption 285
 production 283–5
 research 285
 structure 283
 transmission and storage 285
Government 5, 8, 10, 12–14, 27–57
 advisory bodies 48

Cabinet 45–6
 meetings 45–6
 Office 46
 composition 44–6
 departmental ministers 44
 junior ministers 45
 Lord Chancellor and Law Officers 45
 Ministers of State 45
 non-departmental ministers 44–5
 Prime Minister 44
 departments of 47–9, 458–65
 functions 458–65
 information services 48
see also Civil Service, Local government, Ministers, Monarchy, Parliament, Public expenditure and Public finance
 Great Britain *see* Britain, England, Scotland and Wales
 Green belts 191–2

H

Handicapped people
see Disabled people
Health 115–34, 160–1, 356, 382–3, 452, 464
 AIDS 129–30
 alcohol misuse 128–9
 arrangements with other countries 134
 dentists 133
 Department of 462
 diet and 131–2
 district nurses 121, 133
 doctors 133
 drug misuse 126–7
 education 131
 employment, health in 356
 environmental 132
 family practitioner services 120–1
 infectious diseases 130
 medical audit 121
 midwives 121, 133
 National Health Service 115–34
 administration 118–19
 family health services 120–1
 finance 119
 health service commissioners 120
 hospitals and specialist services 121–32
 self-governing trusts 122
 organ transplants 123
 parents and children 124–5
 Patient's Charter 117
 prisoners, health services for 106
 private medical treatment 123
 professions 133–4
 rehabilitation 124
 research 133, 382–3
 safety of medicines 132–3
 and Safety Commission 356

and Safety Executive 356
 schoolchildren, health services for 160–1
 Scottish Home and Health Department 464
 smoking and 127–8
 and Social Services, Department of (Northern Ireland) 464
 solvent misuse 127
 visitors 121, 133
see also Safety
Health and Safety Commission 356
Health and Safety Executive 356
 Her Majesty's Inspectorate of Pollution 198
Historic buildings 190–1
Home and Health Department, Scottish 464
Home Office 462
Horticulture 302–4
Hospices 124
Hospitals 121–32
 rehabilitation 124
 and specialist services 121–32
Hotels and catering 272–3
House of Commons 34–5
see also Parliament
House of Lords 33–4
see also Parliament
Housing 20–1, 146, 183–88
 administration 183
 associations 185–6
 benefit 146
 building societies 183–4, 259–60, 262
 construction 255
 home ownership 183–4
 mortgage loans 183–4
 improvements 187
 privately rented 184–5
 public sector 184
Human fertilisation and embryology 125
Human rights 14

I

Immigration 20
Imports 374
 controls 374
see also Trade, overseas
Income 31, 146, 219–21, 353, 363–5
 Manpower Economics, Office of 353
 national, and expenditure 219–21
 personal, and expenditure 220–1
 royal 31
 support 146
 taxes on 363–5
Independent Television Commission 429
 programme companies 429
Industrial relations 347–55

Advisory, Conciliation and Arbitration Service 355
 Central Arbitration Committee 355
 collective bargaining 347-8
 joint consultation 347-8
 legislation 350-1
 Manpower Economics, Office of 353
 trade unions 348-50
 wages councils 353-4
Industry 106, 214, 215, 222-37,
 238-54, 254-6, 269-75, 341-6, 385-7,
 389-90, 458-9, 463, 464
 British Technology Group 390
 construction industry 254-6
 Department for Scotland 464
 deregulation 225
 design 235-6
 development agencies 227-30
 Economic Development, Department
 of (Northern Ireland) 463
 European Community and 233
 government policies for 223-37
 gross domestic product, by industry
 214
 industrial and intellectual property,
 protection of 237
 industrial associations 223
 industrial awards 236
 industrial design 235-6
 industrial financing 222-3
 industrial production 214
 innovation 230-1
 investment in 215
 management development and
 industrial training 234-5
 manufacturing 238-54
 nationalised industries 224-5
 prison industries 106
 privatisation 224
 productivity 215
 quality and standards 235-6
 regional development 227-30
 science parks 389-90
 service industries 269-75
 small firms 226
 technological advance 239-40
 Trade and Industry, Department of
 385-7, 458-9
 training 341-6
see also individual industries,
**Employment, European
 Community and Research and
 development**
Inflation 213-14
Information, Central Office of
 462
Inland Revenue, Board of 459
see also Taxation and duty
Inner cities *see* **Urban**
Regeneration
**Inspectorate of Pollution, Her
 Majesty's** 198
Instrument engineering 245-7
Insurance industry 263-5

brokers 265
 Lloyd's 264-5
Investment 215, 216-17, 218-19,
 263-5
 European Investment Bank 230
 in industry 215
 investing institutions 263-5
 insurance companies 263-5
 pension funds 265
 unit trusts 265-6
 inward 216-17
Invisible trade 371-2
see also **Trade, overseas**
Ireland: historical outline 2-4
Iron and steel products 240
Isle of Man 4-5
 historical outline 4-5

J

Jewry 211
Judges 112
Justice 89-114
 civil 108-111
 criminal 89-108
 Crown Prosecution Service 460
 and the law 89-114

L

Land 1-26, 177-80, 198-9, 299
 and people 1-26
 pollution control 198-9
 reclamation 177-80
 registers of unused and under-used
 land 177-80
 use 177-80, 299
Law 39-40, 89-114, 236-7, 308,
 350-1, 354, 355, 424
 administration of the 111-14
 agricultural holdings 308
 centres 114
 civil courts 108-11, 113
 appeals 109-10
 civil justice 108-11
 civil proceedings 108-11
 legal aid 113
 company 236-7
 coroners' courts 101
 criminal courts 97-101
 Criminal Injuries Compensation
 Scheme 90
 criminal justice 89-108
 criminal trials 98-100
 jury 99-100
 legal aid 113-14,
 employment 350-1, 354, 355
 government responsibilities, in
 administration of 111-12
 judges 112

legal aid, advice and assistance 113-14
 legal profession 112-13
 legislative proceedings, parliamentary
 39-40
 delegated legislation 40
 press, legal requirements 424
 prosecution 96-7
 reform 114
 terrorism, measures to combat 91
 trade unions, legal framework 350-1
Learned societies 390
Leasing companies 266
Leather industry 252-3
Legal profession 112-13
Leisure trends 25-6
Libraries 412-14
 public 413-14
 special 413
 university 413
Life, expectation of 17
Literature 411-14
 literary and philological societies 412
Living standards 21-3
Lloyd's insurance market 264-5
Local government 52-7, 184, 366
 authorities, types of 53-4
 complaints system 57
 elections 54-5
 finance 56-7
 capital expenditure 57
 control of 57
 current expenditure 57
 system 57
 functions and services 55
 housing 184
 internal organisation 55-6
 officers and employees 56
 public access 56
 revenue 366
London 264-5, 267, 269
 Financial Futures Exchange,
 International 269
 gold market 269
 Lloyd's insurance market 264-5
 Stock Exchange 267
Lord Advocate's Department 461
Lord Chancellor's Department
 460
Lords, House of
see **Parliament**
Lorries 321

M

Management consultancy 273
Manpower Economics, Office of
 353
Manufacturing 239, 240-54
 advanced technology 239
 industries 240-54
Marine engineering 247-8
Market research 273-4

Marriage 17–18
Mechanical engineering 244–5
Medicine and medical equipment 132–3, 382–3
 medical research 133
 Medical Research Council 382–3
 safety of medicines 132–3
Mental health services 106, 136
Merchant banks 262–3
Mercury 336–7
see also Telecommunications
Metal manufacture 240, 241, 244–5
 iron and steel 240
 metal products 244–5
 non-ferrous metals 241
Migration 19
Minerals 240–1
 mineral products 240–1, 295
 non-fuel 295
 exploration 295
 production 295
Ministers 44–5, 46
 departmental 44
 junior 45
 Lord Chancellor and Law Officers 44
 ministerial responsibility 46
 ministerial salaries 45
 non-departmental 44–5
 of State 45
Prime Minister 44
Monarchy 28–32
 accession 30
 ceremonial 31
 coronation 30
 role 30–1
 royal income and expenditure 31
 royal visits 31
 succession 28–30
Monopolies and mergers 231
see also Competition policy
Motor vehicles 247–8, 272, 365
 car tax 365
 industry 247–8
 retail distribution 272
Museums and galleries 392, 408–10
 Museums Association 408
 national and other collections 408–10
 scientific museums 392
Music 402–5
 choirs 402
 jazz 403
 orchestral and choral 402
 pop and rock 403
 training in 404

N

National Council for Vocational Qualifications 164–5
National Curriculum 155

National Health Service 115–34
see also Health
National Heritage, Department of 462
National income 214, 219–221
 gross domestic product, by industry 214
National Insurance 141–7, 366
 benefits and allowances 142–7
 contributions 141–2, 366
National Parks 194–5
National Playing Fields Association 441
National Rivers Authority 297
National Savings Bank 263
Nationalised industries 224–5
see also individual industries
Nationality 19–20
NATO
see North Atlantic Treaty Organisation
Natural Environment Research Council 383–4
Natural resources 276–98
Navy
see Royal Navy
Net public sector debt 367
New towns 175
News agencies 421
Newspapers 415–19
see also Press
Non-departmental public bodies 47
North Atlantic Treaty Organisation 81–4
 Britain's contribution 82–4
 co-operation 82–4
 Europe and 84
 policy 81–2
Northern Ireland 11–16, 83, 91, 96–7, 98, 100–1, 105, 108, 110, 111, 112, 182–3, 229, 298, 316, 350, 356, 418–19
 civil courts 110, 111
 criminal courts 96–7, 98, 100–1
 cultural and social life 16
 defence 83
 economy 14–16
 employment, health and safety in 356
 forestry 316
 government 12–14
 background to civil disturbances 12
 direct rule and political initiatives 12–13
 human rights 14
 security policy 14
 government departments 463–4
 industrial development measures 229
 inner cities policy 182–3
 law, government responsibility in administration of 112
 press 418–19
 prisons 105
 terrorism, measures to combat 91

trade unions 350
 water resources 298
 young offenders, treatment of 108
Nuclear power 291–3
 British Nuclear Fuels 291–2
 emergency plans 293
 nuclear power programme 291–2
 research 292
 safety 292–3
Nuclear weapons 75–6, 85

O

Offenders, treatment of 101–8
 custody 101–2
 non-custodial treatment 102–3
 compensation and reparation 103
 community service 103
 fines 102
 probation 102–3
 prisons 103–7
 young offenders 107–8
Office of Science and Technology 379
Offshore Supplies Office 279
Oil
see Petroleum
Old people
see Elderly people
Open University 163–4
Opera 403–4
 training 404
Ordnance Survey 463
Overseas Development Administration 461
Overseas relations 58–80
 administration 58–9
 British Council 59
 Commonwealth 71–3
 development co-operation 76–80
 international organisations, membership of 73
 international peace and security 73–6
 United Nations 60–1
see also European Community

P

Parliament 32–44, 360, 435, 461
 broadcasting of proceedings 435
 functions 33
 House of Commons 34–5
 House of Lords 33–4
 legislative proceedings 39–40
 delegated legislation 40
 meeting of 33
 parliamentary committees 40–2
 joint committees 41
 of the whole House 40
 party committees 41–2

- select committees* 41
 - standing committees* 41
 - parliamentary control 40–4
 - Parliamentary Commissioner for Administration* 43
 - Parliamentary Counsel 461
 - parliamentary electoral system 35–6
 - parliamentary privilege 43–4
 - parliamentary procedure 38
 - political party system 36–8
 - Public Accounts Committee 360
 - Parliamentary Counsel 461
 - Patents 237
 - Paymaster General's Office 459
 - Pension funds 265
 - Pensions 142, 144–5, 146–7
 - invalidity 144–5
 - retirement 142
 - war 146–7
 - widow's 144
 - Periodicals 419–20
 - Petroleum 217, 272, 278–83, 362–3
 - consumption 280–1
 - land-based oilfields 281
 - North Sea fields 281
 - offshore 217, 279, 281
 - effect on economy* 217
 - offshore supplies* 279
 - oilfields* 279, 281
 - petrol retail trade 272, 281
 - pipelines 283
 - refineries 281
 - research 280
 - revenue tax 362–3
 - trade 280–1
 - Planning 173–5, 177, 180
 - development plans 173–4
 - land registers 180
 - major schemes 174–5
 - new towns 175
 - public participation 174
 - simplified planning zones 177
 - see also Housing, Urban Regeneration*
 - Police 92–6
 - central authorities 92–3
 - charging 94–5
 - co-ordination of operations 93
 - community relations 93
 - detention, treatment and questioning 94
 - in Scotland* 95
 - forces 92–4
 - grant of bail 95
 - powers of arrest 94
 - status and duties 92–4
 - Political parties 36–8, 435
 - broadcasts 435
 - party system 36–8
 - Pollution control 197–206
 - administration 197–8
 - air 201–4
 - acid rain* 203
 - chlorofluorocarbons* 202–3
 - climate change* 202
 - nitrogen oxide* 203–4
 - ozone layer* 202–3
 - sulphur dioxide* 203
 - vehicle emissions* 203–4
 - genetically modified organisms* 205
 - Her Majesty's Inspectorate 198
 - land 198–9
 - marine 200–1
 - noise 204
 - radioactive waste disposal 205
 - radioactivity 204–5
 - recycling and reclamation 199
 - water 199–201
 - Polytechnics 162
 - Population 16–20
 - age distribution 18
 - birth rates 16–17
 - Censuses and Surveys, Office of 463
 - distribution 18–19
 - divorce rates 17–18
 - ethnic minorities 24–5
 - immigration 20
 - marriage rates 17–18
 - migration 19
 - mortality, causes of 17
 - nationality 19–20
 - sex ratio 18
 - Ports 329–30
 - development 330
 - traffic 329
 - Postal services 338–9
 - specialist services 338
 - Power stations 289–90
 - Press 415–24
 - advertising practice 423–4
 - conduct 423
 - England 418
 - ethnic minority publications 419
 - free distribution newspapers 419
 - institutions 422–3
 - journalism, training for 421–2
 - legal requirements 424
 - national 417–19
 - new technology 420
 - news agencies 421
 - newspapers 415–19
 - Northern Ireland 418–19
 - ownership 415–7
 - periodical 419–20
 - regional 418–19
 - Scotland 418
 - Wales 418
 - Prime Minister 44
 - Printing and publishing 414, 420
 - newspapers, new technology 420
 - Prisons and prisoners 103–7
 - aftercare 107
 - education 106
 - industries 106
 - life sentence 105
 - medical service 106
 - parole 104–5
 - privileges and discipline 106
 - psychological service 106
 - remission of sentence 104–5
 - reform 104
 - repatriation 105
 - welfare 106
 - Privy Council 46–7
 - committees 47
 - Probation 102–3
 - Procurator General 461
 - Public expenditure 219–21, 357–61
 - audit and examination of 360–1
 - Comptroller and Auditor General* 360
 - Public Accounts Committee* 360–1
 - cash limits 360
 - central government funds 361
 - Estimates 359–60
 - reserve 359
 - Public finance 219–21, 357–67
 - Budget 361
 - financial control 366–7
 - government planning 357–9
 - planning cycle* 358–9
 - public expenditure 219–21, 357–61
 - revenue, sources of 361–6
 - see also Balance of payments, Public expenditure and Taxation and duty*
 - Publishing 411–12, 420
 - authors' copyright 411–12
 - books 414
 - printing and publishing industries 420
-
- ## Q
-
- 'Quangos' 47
-
- ## R
-
- Race relations 24–5, 354
 - Commission for Racial Equality 25
 - employment, equal opportunities in 354
 - Race Relations Act 25
 - Radio 425–6, 435–6
 - BBC World Service 435–6
 - COI Overseas Radio Services 436
 - see also Broadcasting*
 - Railways 323–7
 - Channel Tunnel 326–7
 - freight 325
 - operations 324–5
 - passenger services 325
 - private 326
 - urban 325–6
 - Recreation *see Sport*
 - Refineries *see Petroleum*
 - Regional development 227–30, 463
 - assisted areas and related measures 227–30
 - development agencies 230

- European Community policy and aid 229–30
European Regional Development Fund 230
 Northern Ireland 229, 463
 Scotland 227
 Wales 229
 Religion 207–12
 churches 207–11, 212
 co-operation among the churches 212
 Jewry 211
 non-Christian religious communities 211–12
Renewable sources of energy 293–5
Research and development 88, 133, 169, 205, 256, 280, 285, 286–8, 293, 298, 314, 315, 316, 378–92
 Agricultural and Food Research Council 314, 384
 charitable foundations 390
 coal industry 286–8
 construction 256
 defence 88, 387–8
 educational 169, 387
 electricity supply industry 293
 environmental 205
 expenditure 380
 fisheries 315
 food 314, 384
 forestry 316
 gas 285
 government responsibilities 379–90
 medical 133
 Medical Research Council 382–3
 Natural Environment Research Council 383–4
 nuclear energy 292
 Office of Science and Technology 379
 petroleum technology 280
 professional institutions 390–1
 Research Councils 380–5
 Science and Engineering Research Council 381–2
astronomy 382
engineering 382
nuclear physics 382
 space 394
 university 389–90
 water industry 298
Restrictive Practices Court 111
Retail trades 270–3
 hotels and catering 272–3
 diversification 272
 promotions 272
 shopping centres 271–2
 technology, use of 272
 vehicle and petrol retailing 272
Roads 317–23
 developments 318–19
 government responsibilities 317–18
 haulage 321
international 321
licensing 321
 passenger services on 321–2
 safety 320
 traffic in towns 320–1
Royal Air Force 86–7
see also Defence
Royal family *see Monarchy*
Royal Navy 86
see also Defence
Royal Society 391
-
- S**
- Safety** 132–3, 204–5, 292–3, 304, 330
 civil aviation 332
 employment, safety in 355–6
Northern Ireland 356
 food, safety of 132, 304
 Health and Safety Commission 356
 Health and Safety Executive 356
 medicines, safety of 132–3
 nuclear industry 292–3
 radioactive waste disposal 205
 radioactivity 204–5
 roads 320
 sea, safety at 320
Schools 150–61, 165–6, 401, 404–5, 406
 careers education and guidance 160
 curriculum 155–6, 157
 dance schools 404–5
 drama schools 401
 educational aids 160
 educational standards 159
 examinations 157–9
 film schools 406
 health and welfare in 160–1
 information technology 159–60
 independent 154
 management of 151–2
 nursery 153
 primary 153
 progress reports 159
 religious education and collective worship in 156–7
 secondary 153–4
 special educational needs 154
 teachers 155, 165–6
 Technical and Vocational Education Initiative 157
see also Education
Science and technology 239–40, 272, 378–94, 420
 astronomy 382
 botanical gardens 392
 British Technology Group 390
 Education, Department for 387, 462
 government responsibilities 379–90
 international co-operation 392–4
 learned societies 390–1
 newspaper production, new technology in 420
 nuclear physics 382
 office of 379
 professional institutions 390–1
 promotion of 378–94
 research and innovation, industrial 378–9
 Research Councils 380–5
 retail trades, use of technology in 272
 Royal Society 391
 Science and Engineering Research Council 381–2
 science parks 389–90
 scientific museums 392
 space technology 394
 technology and industry 239–40, 272, 378–9, 420
 zoological gardens 391–2
see also Research and development and Universities
Scotland 2, 10–11, 108, 109–10, 112, 152, 156, 158, 166, 182, 195, 209, 298, 350, 418, 464
 Church of 209
 civil courts 109–10
 criminal courts 96, 97–8
 cultural and social life 11
 economy 10–11
 education 152, 156, 158, 166
 government 10
 government departments 464
 historical outline 2
 inner cities policy 182
 law, government responsibility in administration of 112
 National Scenic Areas 195
 police 95
 press 418
 trade unions 350
 water resources 298
 young offenders, treatment of 108
Sea 200–1, 327–8, 330
 marine pollution, control of 200–1
 safety at 330
 transport 327–8
Serious Fraud Office 49
Service Industries 269–75
 advertising 273
 auction houses 274
 computing services 273
 distribution 269
 exhibition and conference centres 274
 hotel and catering 272–3
 management consultancy 273
 market research 273–4
 petrol retailing 272
 retailing 270–2
 tourism 274–5
 vehicle retailing 272
 wholesaling 269–70
Shipbuilding and marine engineering 247–8
Shipping 269, 327–30

cargo services 328
 commodity, shipping and freight markets 269
 merchant shipping legislation 328-9
 passenger services 328
 ports 329-30
 safety 330
Simplified planning zones 177
Small firms 226
Smoking 127-8
Social life 6-7, 9, 11, 16
Social security 141-7, 462
 arrangements with other countries 147
 benefits 142-7
 contributions 141-2
 Department of 462
 family credit 146
 housing benefit 146
 income support 146
 National Insurance 141-7
 retirement pension 142
 sickness benefit 144-5
 social fund 146
 taxation 147
 unemployment benefit 145-6
 war pensions 146-7
see also **Children, Disabled people, Employment, Health, Housing, National Insurance, Pensions and Women**
Social services 134-41, 463
 Health and, Department of (Northern Ireland) 463
 personal 134-9
 children 137-9
 disabled people 135-6
 elderly 135
 families 137-9
 mentally ill people 136
 people with mental handicaps 136
 social workers 139
 voluntary 139-41
Social welfare 115-47
see also **Health, Social security, Social services and Voluntary social services**
Solvent misuse 127
Space activities 394
Sport 438-57
 British Olympic Association 440-1
 Countryside Commissions 447
 disabled people, sport for 443
 drug misuse in 447
 gambling 445
 National Playing Fields Association 441
 organisation 438
 popular sports 447-57
 angling 448
 association football 448
 athletics 448-9
 badminton 449
 basketball 449

bowls 449
 boxing 449-50
 chess 450
 cricket 450-1
 curling 451
 cycling 451
 field sports 451-2
 golf 452
 gymnastics 452
 Highland Games 452
 hockey 452-3
 horse racing 453
 ice skating 453
 judo 453
 keep fit 453-4
 martial arts 454
 motor sports 454
 mountaineering and rock climbing 454
 netball 454-5
 racing 452, 453
 riding (equestrianism) 451
 rowing 455
 rugby football 455
 sailing 455
 skiing 456
 snooker and billiards 456
 soccer 448
 squash rackets 456
 sub-aqua 456-7
 swimming 457
 table tennis 457
 tennis 457
 tenpin bowling 457
 volleyball 457
 private sponsorship 444-5
 spectator violence 446
 sports centres 439-40
 Sports Councils 438-40
Standards 235-6
 measurement 236
 quality and 235-6
Stationery Office, Her Majesty's 463
Steel *see* **Iron and steel**
Stock Exchange, London 267
Students 161-2, 169-70
 overseas, in Britain 169-70

T

Tariffs and Trade, General Agreement on 373
Taxation and duty 147, 362-5
 capital gains tax 363
 car tax 365
 corporation tax 362
 customs duties 365
 excise duties 365
 income tax 362
 inheritance tax 363
 petroleum revenue tax 362-3
 social security benefits and 147

stamp duty 365
 Taxpayer's Charter 361-2
 value added tax 363-5
Teachers 155, 165-6
 training 165-6
Technology
see **Science and technology**
Telecommunications 334-8
 British Telecom 335-6
 general services 335-6
 international services 336
 network modernisation 335
Cable & Wireless 337-8
 Mercury 336-7
 mobile communications 337
 Office of 335
Television 425-37
 cable 432
 satellite television 432-3
see also **Broadcasting**
Terrorism 70, 91
Textiles 244, 252-3
 industries 252-3
 synthetic fibres 244
Theatre *see* **Drama**
Tobacco industry 250-2
Tourism 274-5
Trade, overseas 70-1, 216-7, 280-1, 368-77
 balance of payments 375-7
 commodity composition 368-70
 controls on 374-5
 ECGD (Export Credits Guarantee Department) 375
 European Community policy 70-1
 export promotion services 375
 General Agreement on Tariffs and Trade 373
 geographical distribution 370-1
 government services 375
 and Industry, Department of 458
 invisible 371-2
 oil 280-1
 policy 372-4
 single European market 373
 trends 216-17
 visible 368-71
see also **Balance of payments, European Community, Exports, Imports and Visible trade**
Trade unions 348-51
 legal framework 350-1
 Northern Ireland 350
 Scotland 350
 Trades Union Congress 349-50
see also **Industrial legislation**
Training 51, 157, 165-6, 341-6, 401, 404-5, 410, 421-2
 Civil Service 51
 dance 404-5
 dramatic 401
 Employment Training 343
 Enterprise Councils, and 342-3
 film production 406

journalism 421-2
 musical 404
 operatic 404-5
 services 323-7
 teachers 165-6
 technical and vocational 157
 Technical and Vocational Education Initiative 157
 visual arts and design 410
 vocational qualifications 344
 youth 343-4
Transplant surgery 123
Transport 65, 247-8, 317-34
 air 330-4
 bus services 321-2
 Channel Tunnel 326-7
 Department of 459
 equipment manufacturing 247-8
 European Community policies 65
 Eurotunnel Services 327
 inland 317-27
 merchant shipping legislation 328-9
 passenger services 321-8
 policy 317-8
 ports 329-30
 railways 323-7
 urban 325-6
 roads 317-21
 haulage 321
 safety measures 320
 shipping 327-9
 taxis 323
 traffic in towns 320-1
 waterways, inland 327
see also Civil aviation, Waterways, inland, Ports, Railways, Roads, and Shipping
Travel *see* Tourism
 HM Treasury 459
 Solicitor's Department 461

U

Ulster *see* Northern Ireland
Unemployment 145-6, 341, 346-7
 benefit 145-6
 careers service 347
 employment services 346-7
 Jobclubs 346-7
 Restart Programmes 346-7

Acknowledgments for photographs

Reuters/Bettman (cover). John Stephens (facing p 134). Alan Symes; Gibraltar Information Bureau; Bermuda Tourism (between pp 134 and 135). Suzanne Board (facing p 230). The Still Moving Picture Company (between pp 294 and 295, and facing p 358). Thames Water plc (facing p 295). Bill Lewis (facing p 358). Steam Locomotives of the World Photo Library (between pp 358 and 359). JET Joint Undertaking (facing p 422). English Heritage (between pp 422 and 423).

Cover illustration by Davide De Angelis.

services for people with disabilities 347
 trends 341
Unit trusts 265-6
United Nations 60-1
 human rights 61
 keeping the peace 60
Universities 162-4, 389-90, 413
 libraries 413
 Open University 163-4
 research 389-90
Urban Development Corporations 177
Urban Regeneration 175-83
 City Action Teams 176
 City Grant 176-7
 Enterprise Zones 177
 Northern Ireland 182-3
 Scotland 182
 Task Forces 175-6
 Urban Development Corporations 177
 Urban Programme 176
 Wales 181-2
see also Planning, Housing

V

Venture capital companies 266
Visible trade 368-71
 commodity composition 368-70
 geographical distribution 370-1
see also Trade, overseas
Visual arts 407-11
 crafts 410
 museums and art galleries 408-10
 training in 410
Voluntary social services 139-41, 171-2
 organisations 139-40
 young people 172
 youth services 171-2

W

Wages councils 353-4
 Wales 1-2, 8-9, 96, 97, 108-9, 111-12, 229, 297-8, 418

civil courts 108-9
 criminal courts 96, 97
 criminal prosecutions 96, 97
 cultural and social life 9
 economy 8-9
 government 8
 historical outline 1-2
 law, government responsibility in administration of 111-12
 press 418
 urban regeneration policy 229
 water resources 297-8
 Welsh Office 465
 young offenders, treatment of 107
War pensions 146-7
Water resources 199-201, 297-8
 development projects 297-8
 England and Wales 297-8
 water service companies 297
 National Rivers Authority 297
 Northern Ireland 298
 pollution control 199-201
 research 298
 Scotland 298
 Waterways, inland 327, 447
 Welsh Office 465
Wholesale trades 269-70
Widows 144
Women 23-4, 131, 144
 benefits and pensions 144
 cancer screening 131
 equal opportunities 23-4
World Heritage Sites 197

Y

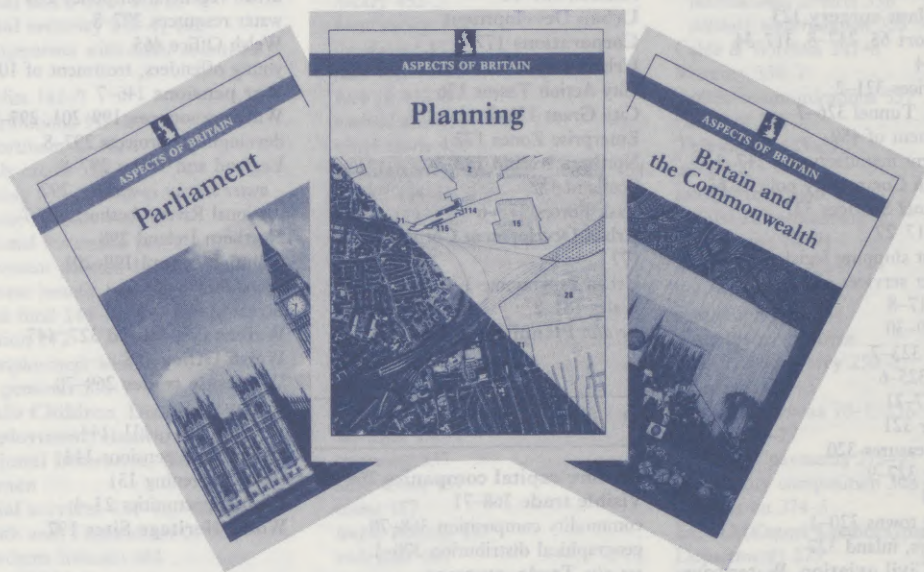
Youth 107-8, 343-4
 theatre for 401
 training services 343-4
 young offenders 107-8
Youth service 171-2
 organisations 171
 voluntary service 172
 workers 172

Z

Zoological gardens 391-2

"... a direct literary style which is easy to read and an impressive clarity in descriptions ..."

The School Librarian



ASPECTS OF BRITAIN

This colourful series of illustrated A5 paperbacks provides factual briefing not only on Britain's political, economic and social structure, but also on its place in the international community. *Aspects of Britain* is part of an interlocking series of publications designed to provide reliable information – for students, specialists, the media and others who need to be kept up to date on British affairs.

For a free leaflet giving more details about this series, write to:
HMSO Books, Dept B, FREEPOST, NORWICH NR3 1BR.

TITLES IN PRINT

The Monarchy	£5
Parliament	£6
Parliamentary Elections	£4.75
Organisation of Political Parties	£4.75
Women in Britain	£5
Ethnic Minorities	£5.25
Britain and the Commonwealth	£5.25
Britain and Hong Kong	£5
The British System of Government	£5.25
Honours and Titles	£5.50
Human Rights	£6
Religion	£5
Criminal Justice	£5
Transport and Communications	£5
Northern Ireland	£5.25
Energy and Natural Resources	£5
Planning	£5

FORTHCOMING TITLES

Wales · Scotland · Britain in the European Community · Britain and Africa · Britain and the Gulf · Britain and its Dependencies · Arms Control · Overseas Relations and Defence · Immigration and Nationality · Banking and Financial Services · Science and Technology · The Legal System · A-Z of Parliament · History and Functions of Government Departments · Local Government · Employment · Agriculture, Fisheries and Forestry · Aerospace · Broadcasting · Conservation · Education · Social Welfare · Housing · Voluntary Organisations · The Arts · Sport and Recreation



Main Railway Passenger Routes



Motorways and major trunk roads



BRITAIN 1993

AN OFFICIAL HANDBOOK

This is the 44th edition of the invaluable *Britain Handbook*, compiled each year by the Central Office of Information with the co-operation of government departments, agencies and many other authoritative organisations. Comprehensive, succinct and accurate, it presents the latest facts and figures on most aspects of British life. *Britain 1993* describes the workings of government and many other major institutions; the various sectors of the economy; and social, environmental and cultural matters — as well as British achievements in many fields. Extensive coverage is given to recent major policy developments in, for example, the National Health Service and education.



HMSO publications are available from:

HMSO Publications Centre

(Mail, fax and telephone orders only)
PO Box 276, London SW8 5DT
Telephone orders 071-873 9090
General enquiries 071-873 0011
(queuing system in operation for both numbers)
Fax orders 071-873 8200

HMSO Bookshops

49 High Holborn, London WC1V 6HB
(counter service only)
071-873 0011 Fax 071-873 8200
258 Broad Street, Birmingham B1 2HE
021-643 3740 Fax 021-643 6510
Southey House, 33 Wine Street, Bristol BS1 2BQ
0272 264306 Fax 0272 294515
9-21 Princess Street, Manchester M60 8AS
061-834 7201 Fax 061-833 0634
16 Arthur Street, Belfast BT1 4GD
0232 238451 Fax 0232 235401
71 Lothian Road, Edinburgh EH3 9AZ
031-228 4181 Fax 031-229 2734

HMSO's Accredited Agents

(see Yellow Pages)

and through good booksellers

ISBN 0-11-701702-7



9 780117 017023

£19.50 net