



CONFIDENTIAL

Prime Minister

No need - I am happy now to leave Standards with Trade

each of shall I ask those

who were at your April meeting (Chancellor,

THE PRIME MINISTER

Mr Jenkin, Robt Armstrong (John Sparrow) to let you have their personal and confidential assessment of Trade's conduct of Standards since April?

STANDARDS

I report below on the progress we have made towards devising and implementing a more effective policy on Standards.

MCS 20/10

What you said was that these responsibilities should remain with Trade for a trial period until the beginning of October. MCS

This is a matter on which you said at our meeting on 22 April you would take a decision on Departmental responsibility this month.

Over the past five months major changes in our approach based on the recommendations endorsed by MISC 14 have been set in train. This new initiative has been universally well received. The major event has been the publication of the White Paper on Standards, Quality and International Competitiveness (Cmd 8621) on 29 July, setting out a comprehensive programme for a change in the thrust of standards policy. The publication of the White Paper immediately after my initial policy announcement on 7 July, has underlined the urgency and seriousness with which we are treating standards. We have invited comments by 1 November but it is already apparent that the impact of our proposals amongst those whom we need to influence has been both considerable and favourable. The White Paper has been received enthusiastically by the CBI, NEDC and the BSI. Significantly the Director of DIN, the German standards body, has described it as the most important statement on standards and quality by any Government over the past decade. One of the proposals in the White Paper was for a detailed Memorandum of Understanding between the Government and the BSI, modelled on what the Germans have done. I am planning to sign this Memorandum of Understanding next month.

A major reason for having such an agreement is to provide us with a lever to improve standards-writing. The BSI will now have actively to seek better representation from industry, particularly

CONFIDENTIAL



CONFIDENTIAL

purchasers who can ensure that standards reflect the market quality requirements; and they have been put on notice that standards must be sufficiently clear and specific for contractual and regulatory purposes. The BSI have accepted this and are reviewing how best to effect necessary improvements.

We also have to set our own house in order. My Department will shortly issue revised guidelines for Government representatives on standards committees to ensure the White Paper policy is translated into action. With the BSI's help and using the new official machinery, we shall be monitoring closely the effectiveness of Government representatives.

Having improved the standards, we must use them ourselves, if they are to command respect in world markets. Manufacturers and purchasers may respond to exhortations, but the real impact will come if we ourselves make full use of two potentially much more effective tools, namely the use of standards for regulatory purposes and public purchasing.

The Health and Safety Commission's attitude is vitally important to the success of the policy in the field of regulation. Its initial response to my proposals has been very positive. For example, it is now prepared to issue information on its considerable informal use of standards and to refer more extensively to standards in its guidance material. It intends to work with the BSI and other bodies to ensure the standards it needs are available, and to participate in standards-making on the basis that the standards produced will be used for regulatory purposes. It is looking at the scope for laying greater emphasis on a product's initial integrity as demonstrated by compliance with standards. I am grateful for Norman Tebbit's support. Other regulatory bodies are being pressed to follow the HSC's example.

CONFIDENTIAL



CONFIDENTIAL

My objective is that in future regulatory bodies should express technical requirements as far as possible by reference to British Standards. I proposed in my minute to you of 22 July to review progress on this in the Spring. To ensure that no opportunity to use appropriate standards is lost, it would help us to monitor the progress made if bodies intending to issue technical regulations notified this, and the form in which the requirements will be specified, through the new official machinery. I am arranging for this to be examined in the official committee.

I am also anxious that we examine new and simpler legislative means of recognising standards. Michael Heseltine has set an example with his proposals that he should simply be able to designate standards as "approved documents" for building control purposes. In reviewing the Consumer Safety Act 1978 my own Department is considering the case for introducing a general safety duty based on a new concept of "sound and modern practice" which could be defined by reference to standards, thus mirroring the German system. I intend to publish my proposals for this by Christmas.

The industrial efficiency arguments for relating public purchasing requirements to standards are well established. The tendency of some public purchasers to write their own parochial specifications is wasteful and weakens the national standards-making process. Purchasing Departments within Government have agreed to make greater use of national standards in their purchasing requirements. Ensuring that they do, and encouraging other public purchasers to do the same, is a task which the Department of Industry has taken on. Public purchasing has a vital role to play under my initiative and no doubt Patrick Jenkin will be bringing forward his proposals for tackling this aspect in the near future.

Standards are not an end in themselves. They are a means of improving quality, which is what sells goods in world markets today. My Department is well ahead with plans for an extensive quality awareness campaign, covering also the standards-related areas of quality assurance and certification.



CONFIDENTIAL

A peak will be the World Quality Congress which the United Kingdom is hosting in mid-1984. I propose to announce the campaign when the Memorandum of Understanding is signed in November and to launch it in the New Year. It would give the campaign a major boost if you were prepared to show your personal interest in and support for the initiative, perhaps by speaking at an appropriate occasion or by hosting a reception.

Quality assurance will be given a fillip when my Department publishes the first edition of its register of quality assessed firms at the turn of the year. The register will give relevant details of some 7,000 firms which have been assessed to BS 5750 - the standard for quality systems - or its direct equivalent by one or other of the public authorities and also by independent bodies such as the BSI.

Our competitors have exploited product certification schemes to export their products. The United Kingdom has few schemes and I want to promote more. We are working on this and our proposals have been well received at an initial meeting with industry.

We asked the Department of Industry to develop possible arrangements for a voluntary national accreditation scheme (and an associated mark) which would aim to increase the authority and acceptability of individual certification schemes. Accreditation would be of assistance in negotiating reciprocal recognition with similar schemes in other countries. We shall be consulting industry just as soon as the Department of Industry proposals are ready. I suggest that responsibility for this work should be looked at in the light of your decision on responsibility for standards work generally.

I am copying this minute to Members of MISC 14 and to Sir Robert Armstrong.

Arthur Cockfield

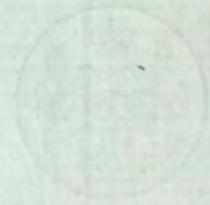
LORD COCKFIELD

Department of Trade
1 Victoria Street
London, SW1H 0ET

20 October 1982

CONFIDENTIAL

Govt Mach : Departmental responsibility for Standards
Nov 81



12
11
10
9
8
7
6
5
4
3
2

2 0 OCT 1982

DEPARTMENT OF STANDARDS