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AC
I would have this filed - if possible.

KB/djm

S 14/6.

22nd February 1984

Mr. John Wakeham MP.,
12 Downing Street,
London SW1.

Dear Mr. Wakeham,

ATTITUDES OF MEMBERS OF PARLIAMENT

The Conservative Party subscribes to an Opinion Research and Communication service - Business Attitudes Guide. This service is available to a limited number of companies.

The latest survey is on attitudes of Members of Parliament. I thought a copy might be of interest.

The survey is made available to us on the understanding that it is used for background briefing only and not quoted publicly in speeches or in publications.

Yours sincerely,

D.K. Britto

D.K. Britto

c.c. Stephen Sherbourne - 10 Downing Street

The Political Environment for Industry 1984

OPINION RESEARCH & COMMUNICATION

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EXPLANATORY PREFACE

This volume is by way of being an experiment which in all probability will not be repeated.

By coincidence we have interesting information from two different surveys becoming available at the same time.

The universe is very similar. In each case about a one in six survey of Members of Parliament. So there are good reasons for thinking that the information is worth considering together.

The time scale of the interviewing is not strictly comparable and therefore the data cannot be considered together in every respect.

It would be wrong to present the information without making it clear that it is from two different surveys. Equally it would be a pity not to supply the data since in many ways the surveys are compatible, so we have compromised by indicating the two separate surveys as:-

Survey A – pages 3 to 21

Survey B – pages 22 to 46

Introduction

The problems and opportunities facing industry have not changed dramatically since we entered 1984: lack of investment, fierce competition in world markets, inadequate profits, increasing energy costs, and the pain of the national insurance surcharge are still familiar headaches for very many companies. On the other hand most people would accept that things are gradually getting better: the economy is edging out of recession, profits in some cases are improving, competitive efficiency is going up, and industry continues to benefit from the stabilisation of the inflation rate.

But what of the political background? Most companies are, by now, very cynical about ever getting stability from the political climate. For many years a particular burden placed on Boards has been coping with a constantly changing political climate and ever new legislation requirements.

It has been less since Mrs. Thatcher achieved power. Her Government set certain priorities and has largely stuck to them – including refusing to use taxpayers money to intervene in or help these industries hard hit by the recession.

But what of the future? Less than a year ago a new Parliament was elected. Many of the members are new – particularly on the Conservative backbenches. And the attitude and influences of the new intake is not known.

We decided therefore that it would be of value to investigate the attitudes, aims, and beliefs of M.P's and see what difference they might make to the political climate for industry:

The value of this information is less immediate than most of the Business Attitudes Guide services.

It does not give guidance on workers' aspirations or the public's attitude to union legislation.

But it is still important for board members and for those involved with forward economic planning to know what they have got in the new intake of M.P's.

How solidly behind the Prime Minister is the newly elected body of Conservative M.P's. How serious are policy revolts such as rate capping?

Is it likely that there will be a change of direction or even a U-turn? What are the likely political priorities of importance to companies?

Can industry expect a change of heart in the sense of getting more support? What vigour is likely to be applied in trying to bring down high unemployment?

The attitudes and aims of the Labour Party are of less immediate concern to businesses. Unless there is an astonishing political upset Labour will be in no position to change the climate for industry for another three years at least.

But it is not too early to start monitoring Labour attitudes – and the Labour Party has got a new leader as well as some new M.P's.

So though this information is less urgent and definitive – the conclusions do have a value.

SURVEY A

1. Policy Priorities for the Government

1.1. Chances of a change of direction in policy.

So far as M.P.'s can see the chances of any significant change of direction in policy by the Government over the next two years are remote. Most of them feel that Mrs. Thatcher will be offering the mixture as before. With the exception of tackling high unemployment (which we will deal with shortly) the Tory backbenches remain solidly behind the Government and unlikely to put on pressure for a change of priorities.

1.2. Perceived Priorities by Conservatives.

"Financial rectitude and a continued drive for greater efficiency in both the health service and the (at present) major nationalised industries. Head not heart".

That quotation by a Conservative M.P. probably sums up what Tories think the next two years will be about.

The three policy areas which Conservative M.P.'s think will be given priority are:

	%
"Controlling public spending"	71
"Bringing down the rate of inflation"	39
"Making the health service more cost effective"	32

Following closely behind is:

"Privatisation of nationalised industries"	27
--	----

The three areas perhaps of most interest to subscribers which are not thought likely to get any priority from the Government are:

	%
"Giving more aid to industry"	-
"Dealing with high unemployment"	9
"Finding jobs for school leavers who have never worked"	9

Two other areas where public investment could be of interest to some subscribers are; giving the go ahead to British Rail investment electrification plans and giving the go ahead to C.E.G.B. nuclear power investment plans.

In both cases Tory M.P's clearly feel there is little or no enthusiasm or backing likely to come from the Government.

	%
"Giving the go ahead for British Rail's East Coast Main line electrification programme"	-
"Giving the go ahead for the Sizewell B Nuclear Power Station"	-

Two other policy areas behind which Conservative backbenchers obviously think the Government will not put too much steam, are on the party pledge to reduce taxation, and equally important to individuals and companies alike; pursuit of their unofficial pay restraints:

	%
"Reducing the level of personal taxation"	5
"Trying to enforce an unofficial pay policy at around 3-3½%"	11

The full list given in the following table shows clearly the extent to which Conservatives think that the Government will continue to be very hard-headed over the next two years. It will be seen that all the "efficiency" and "saving" items are concentrated at the top while the "heart" or "spending items" are at or near the bottom.

Table 1: The Policy and Problem Areas Conservatives Believe will Receive Government Priority

Question: On this card is a list of policy and problem areas with which the Government and Opposition will be concerning themselves over the next two years. Will you read this list and from it select the three items which you think will be given priority by the Government?

	%
Controlling public spending	71
Bringing down the rate of inflation	39
Making the National Health Service more cost effective	32
Privatisation of nationalised industries	27
Abolition of the GLC and Metropolitan Councils	27
Further legislation to cut the power of the unions	18
Reform of local authority rating system	14
Stepping up the fight against crime and violence	14
Trying to enforce an unofficial pay policy at around 3-3½%	11
Dealing with high unemployment	9
Finding jobs for school leavers who have never worked	9
Reducing the level of personal taxation	5
Forcing nationalised industries to pursue greater efficiency	5
Increasing defence spending	2
Giving more aid to industry	-
Giving the go ahead to Sizewell B Nuclear Power Station	-
Giving the go ahead for British Rail's East Coast Main Line Electrification programme	-
Opposing EEC proposals on worker directors Vredeling and similar worker participation ideas	-

1.3. Order of priority Conservative M.P's would like the Government to follow.

When M.P's were asked to consider the same list and select the three items which should be given priority attention by the Government the replies showed that with one exception Conservatives are in tune with Government thinking on policy. The exception – the only item where any rebellion by “wets” seems at all likely – is the unemployment question.

The first three items are in the same ranking order as on Table 1:

	Should give priority %	Government will give priority %
“Controlling Public Spending”	55	71
“Bringing Down the rate of inflation”	41	39
“Making the Health Service more cost effective”	32	32

But when it came to the fourth item, the unease of many Tories with the lack of priority they expect the Government to give to high unemployment surfaced significantly. Tory backbenchers also appear to be less enthusiastic about privatisation than the Prime Minister and her immediate colleagues.

	Should give priority %	Government will give priority %
“Dealing with high unemployment”	29	9
“Privatisation of Nationalised Industries”	16	27

Two other areas where the Government could encounter trouble are in combatting crime and violence and further reductions in personal taxation. But in these cases rank and file are “drier” than the Government not “wetter”. It is a reasonable supposition that those who want higher priorities for fighting crime and violence and further cuts in personal taxation are probably a different segment of the party from those who want the Government to do more about high unemployment.

	Should give priority %	Government will give priority %
“Stepping up the fight against crime and violence”	27	14
“Reducing the level of personal taxation”	13	5

There is a small body of opinion among Conservative backbenchers who would like to see more aid to industry. But so far as giving the go-ahead to Sizewell B nuclear power and B.R's electrification programme are concerned there is little enthusiasm among Tories for giving them priority.

Similarly there is no great relish for giving high priority to either rating reform or abolition of the GLC and Metropolitan Councils –

	Should be given priority %	Government will give priority %
“Abolition of the GLC and Metropolitan Councils”	9	27
“Reform of Local Authority rating system”	5	14

Table 2: Policy Areas to which Conservative M.P.'s Would Give Priority.

Question: Looking at this (same) list will you select the three items which SHOULD be given priority attention by the Government?

	Should be given priority %	Government will give priority %	M.P. would give higher/ lower priority %
Controlling public spending	55	(71)	-16
Bringing down the rate of inflation	41	(39)	+ 2
Making the Health Service more cost effective	32	(32)	-
Dealing with high unemployment	29	(9)	+20
Stepping up the fight against crime and violence	27	(14)	+13
Further legislation to cut the power of the unions	20	(18)	+ 2
Privatisation of nationalised industries	16	(27)	-11
Reducing the level of personal taxation	13	(5)	+ 8
Finding jobs for school leavers who have never worked	11	(9)	+ 2
Abolition of the GLC and the Metropolitan Council's	9	(27)	-18
Forcing nationalised industries to pursue greater efficiency	7	(5)	+ 2
Giving more aid to industry	7	(-)	+ 7
Trying to enforce an unofficial pay policy of around 3-3½%	5	(11)	- 6
Reform of local authority rating system	5	(14)	- 9
Giving the go ahead for Sizewell B Nuclear Power Station	2	(-)	+ 2
Giving the go ahead for British Rail's East Coast Main Line electrification programme	2	(-)	+ 2
Opposing the EEC proposals on worker directors Vredeling and similar worker participation proposals	2	(-)	+ 2
Increasing defence spending	2	(2)	-

Table 3: Ranking Order of Areas Where Tory M.P's Would Give A Higher Priority Than It Is Expected Government Will Do

	%
Dealing with high unemployment	+ 20
Stepping up the fight against crime and violence	+ 13
Reducing the level of personal taxation	+ 8
Giving more aid to industry	+ 7
Further legislation to cut the power of the unions	+ 2
Finding jobs for school leavers who have never worked	+ 2
Forcing nationalised industries to pursue greater efficiency	+ 2
Giving the go ahead for Sizewell B nuclear power station	+ 2
Giving the go ahead for British Rail's East Coast Main Line Electrification Programme	+ 2
Opposing the EEC proposals on worker directors, Vredeling, and similar worker participation proposals	+ 2

Table 4: Ranking Order Of Areas Where Tory M.P's Would Give A Lower Priority Than It Is Expected The Government Will Do.

	%
Abolition of the GLC and the Metropolitan Council's	-18
Controlling Public Spending	-16
Privatisation of Nationalised Industries	-11
Reform of Local Authority Rating System	- 9
Trying to enforce an unofficial pay policy of around 3-3½%	- 6

SURVEY A

2. Priorities for Labour

2.1. Perceived Priorities by Labour M.P's.

With the exception of controlling Government spending, Labour backbenchers have a completely different view of what they perceive Government priorities of policy to be.

Top of their list by a long way is privatisation. They also believe that great attention in the next two years will be given to: further action to trim trade union powers, abolition of the G.L.C. and the metropolitan Council's and efforts to enforce an unofficial pay policy. Lower down than all these they place Government concern with inflation. Almost none of them believe the Government will give a high priority to dealing with unemployment; helping industry, investment in rail electrification, Sizewell B, – or finding jobs for school leavers.

Table 5: The Three Items Labour M.P's Think Will Be Given Priority By The Government Over The Next Two Years.

	%
Privatisation of nationalised industries	75
Controlling public spending	50
Further legislation to cut the power of the unions	46
Abolition of the GLC and the metropolitan Council's	39
Trying to enforce an unofficial pay policy at around 3-3½%	32
Bringing down the rate of inflation	21
Increasing defence spending	14
Making the National Health Service more cost effective	9
Reform of local authority rating system	7
Reducing the level of personal taxation	5
Dealing with high unemployment	2
Stepping up the fight against crime and violence	2
Forcing nationalised industries to pursue greater efficiency	0
Finding jobs for school leavers who have never worked	0
Giving the go ahead for Sizewell B Nuclear Power Station	0
Giving more aid to industry	0
Opposing EEC proposals on worker directors Vredeling, and similar worker participation ideas	0
Giving the go ahead for British Rail's East Coast Main Line Electrification Programme	0

2.2. Order of priority Labour M.P's would like the Government to follow.

A reasonable conclusion from studying the order suggests that Labour M.P's think the Government will be more concerned, largely, with vindictive action against the public sector, the unions, local authorities, and pay policy enforcement than they are with getting the economy in good order.

When one looks at the policies to which Labour M.P's would like to see Government give priority, it is clear that their priorities are totally different. The answers reveal that the ideological gap is as wide as ever and that the solutions offered by the two parties to our national problems are diametrically opposed. Almost everything Labour expects will be give priority they would not wish to see done at all. Almost all the items which Labour expects to be ignored or given a low priority they would like to see done urgently.

Labour would like overwhelming priority to be given to tackling high unemployment and finding jobs for school leavers.

No doubt with much the same aims in view (creating jobs) they would also give high priority to giving more aid to industry. About one in four would give priority to British Rail's electrification plans for the East Coast main line. Almost everything else has little or no support (though stepping up the fight against crime and rating reform raise a spark of interest among one in ten Labour M.P's).

But all in all the preferred priorities of the two parties would seem to promise a Parliament of bitter and arid fighting with virtually no common ground or meeting of minds.

Table 6: The Three Items Labour M.P's Think Should Be Given Priority By The Government Over The Next Two Years.

	%
Dealing with high unemployment	91
Finding jobs for school leavers who have never worked	73
Giving more aid to industry	68
Giving the go ahead for British Rail's East Coast Main Line Electrification programme	23
Stepping up the fight against crime and violence	11
Reform of local authority rating system	9
Reducing the level of personal taxation	5
Bringing down the rate of inflation	5
Controlling public spending	2
Giving the go ahead for the Sizewell B Nuclear Power Station	2
Trying to enforce an unofficial pay policy at around 3-3½%	2
Making the National Health Service more cost effective	2
Forcing nationalised industries to pursue greater efficiency	-
Privatisation of nationalised industries	-
Further legislation to cut the power of the unions	-
Opposing EEC proposals on worker directors Vredeling, and similar worker participation ideas	-
Abolition of the GLC and metropolitan Council's	-
Increasing defence spending	-

SURVEY A

3. Interventionism and Privatisation

3.1. Involvement of Government with Industry.

Despite the fact that the Labour Party's policies were decisively rejected at the General Election those M.P's re-elected for the first time are as strongly committed to interventionist policies and to the status quo in the public sector as ever. Eight out of ten would like to see Government playing a greater and more constructive role in industry. And – almost to a man – they do not wish to see one of the nationalised industries touched.

Equally the new intake of Conservatives are fiercely committed to the main Thatcherite policies.

Leave industry to run its own affairs.

More competition.

Wholly or partly privatise nearly all the nationalised industries.

Table 7: Should Government Have a Greater or Lesser Role In Industry?

Question: Turning now to the relationship between Government and industry, would you personally like to see Government playing a greater and more constructive role in industry or would you like to see Government leave industry to run its own affairs?

	Cons. M.P's %	Lab. M.P's %
Greater involvement	9	82
About the same/no change	9	-
Leave industry to run its own affairs	75	11
Don't know/not stated	7	7

3.2. Privatisation of Nationalised Industries.

While virtually every Labour M.P. is against any public sector being touched at all, Conservative backbenchers are markedly more flexible. Their enthusiasm for privatisation varies with individual industries, depending on how well it is doing, what sort of a drain it has been on public finance, and what they feel about current management.

In one case – the C.E.G.B. – there is not majority support for privatisation (even when those supporting full privatisation are added to those saying “partial”).

Conservatives are in favour of seven public sector organisations being returned to private ownership. But there seems no logic in the choice. Several are successful organisations, such as British Telecom and B.N.O.C.

Others are corporations still having severe problems, specifically British Shipbuilders or what might be termed “recovery situations”: British Steel and British Leyland.

There is no desire to see British Rail go wholly into the private sector – but a majority would like to see B.R. partly privatised.

Similarly there is no desire to see British Gas completely privatised but 50% of Conservatives would like to see parts of it hived off.

Attitudes are divided on the N.C.B. with a very substantial minority (43%) wanting to leave it as it is.

Table 8: Attitudes to Privatisation.

	Wholly returned to private sector		Partly privatised		Left as it is		Don't know	
	Cons. %	Lab. %	Cons. %	Lab. %	Cons. %	Lab. %	Cons. %	Lab. %
British Leyland	79	5	16	5	5	89	-	2
British Airways	77	2	21	-	2	96	-	2
British Telecom	71	-	25	2	-	96	4	2
National Bus Company	70	-	21	-	7	98	2	2
British Shipbuilders	63	-	25	2	9	93	4	5
British National Oil Corporation	59	-	23	-	15	98	-	2
British Steel Corporation	57	-	20	-	20	98	4	2
British Gas	30	-	50	5	20	93	-	2
N.C.B.	27	-	27	-	43	98	4	2
Electricity Boards	20	-	34	5	43	93	4	2
Post Office	18	-	39	-	41	98	2	2
C.E.G.B.	18	-	27	2	50	96	5	2
British Rail	9	-	64	2	27	96	-	2

3.3. Attitudes To Selling Off Successful Subsidiaries.

The wide gulf in party attitudes on nationalised industries is demonstrated again when M.P's are asked about the successful and profitable subsidiaries. Labour M.P's are solidly for allowing the nationalised industries to keep and develop profitable subsidiaries or divisions.

But seven out of ten Conservatives are in favour of selling these profitable offshoots to the private sector as soon as possible.

Table 9: Whether Profitable Subsidiary Businesses Owned By Nationalised Bodies Should Be Retained And Developed Or Sold Off To The Private Sector As Quickly As Possible.

	Cons. M.P's %	Lab. M.P's %
Sold off	71	2
Retained	4	96
Don't know	9	-
Not stated	16	2

SURVEY A

4. View of the General Situation

When M.P's are asked to give a general view of how well or badly things are going there is no agreement. With the exception of high unemployment, where a significant percentage of Tories express anxiety, backbenchers of the two parties draw opposite conclusions from the same facts.

Labour M.P's think that things are generally bad, that the high unemployment problem is serious, and that the recession situation is worrying.

Tories tend to think that we are in a generally good state, that the economic situation is good or improving, and that the inflation rate is reducing.

When one asks them to specify what is wrong with Britain, again there is no consensus.

Labour M.P's pinpoint two weaknesses:

High unemployment

Lack of industrial investment

Only small minorities of Tories mention these things, They pinpoint basically one thing: human nature which causes apathy lack of drive and resistance to change.

Table 10: How Well Or Badly M.P's Think Things Are Going For Britain At The Moment.

	Cons. M.P's %	Lab. M.P's %
WELL		
"The situation is generally good"	55	-
"The economic situation is good/improving"	23	7
"The rate of inflation is going down/the situation is getting better"	20	2
"The Government is doing well"	11	-
BADLY		
"The economic situation is generally bad/worrying"	2	89
"High unemployment/the unemployment situation is worrying/bad"	16	48
"We are in recession/in industrial decline/trouble"	-	48
"The Government is doing badly"	-	18

Table 11: What M.P's Spontaneously Suggest Is, More Than Anything Else, Wrong With Britain.

	Cons. M.P's %	Lab. M.P's %
Lack of industrial investment	5	27
Apathy/lack of drive	25	-
High unemployment	9	23
Resistance to change	18	-
Capitalism/market economy	-	14

The views expressed in Tables 10 and 11 are enlarged upon in a series of opinions volunteered by M.P's . . .

Things are going well

"Inflation is falling and output in a lot of industries is rising, with productivity increasing. Interest rates are falling and new investment in industry is now taking place.

The older industries are declining and new ones improving. We have stability of prices and over the next two or three years the outlook should continue to improve".

"Industry is set to benefit from the early signs of world recovery by virtue of having become more competitive, leaner and fitter".

"Things are going well in the long term. Conditions are slowly coming right for an economic recovery".

"Output is picking up – more overtime – a small increase in job vacancies".

Things are going badly

"Industrial examples in my constituency show that firms are doing very badly, not enough work – even British Rail are doing badly. What work is done goes into store. No one thinks things are going to improve: not enough orders either for export or home consumption 'special sale' 'special offers' everywhere. Also people not prepared to carry stocks. Working people's clubs are going bankrupt".

"Our manufacturing base is being destroyed and there is still a rising army of unemployed which is draining resources which should go into productive investment".

"We are becoming a 'tatty' country, particularly in the Cities: there is social decline at certain levels reinforced by massive unemployment . . . there is a risk of our becoming authoritarian".

Comments on the one thing wrong with Britain

Investment

“Lack of industrial investment. Other countries plough more back into companies and tend to have a longer view. We work on a year by year basis. Productivity is low. Both private sector and public sector need more investment”

Conservative

“Lack of appropriate investment. Most research and development goes into defence – a great deal of investment goes into defence and that does significantly little to improve the base of the economy”.

Labour

“We need to be doing more to put money back into the economy. We should be bringing things like railways, buses back into position so that when the recession ends we are able to offer better services”.

Labour

Unemployment

“Waste of manpower. Costly, degrading waste of our most precious resource which is the skills and talents of our people. Until we get that right nothing else will do much good”.

Labour

“The general complacency about unemployment. Government action is needed”.

Labour

Apathy/lack of drive

“Our national attitudes to work and achievement are wrong. The people are often ready to blame others rather than their own short-comings”.

Conservative

“Attitudes” to responsibility as far as management is concerned and towards work as far as the workforce is concerned”.

Conservative

“We don’t work hard enough. If we have a reasonable standard of living thats all right and we don’t bother to do any more”.

Conservative.

SURVEY B

5. Climate for Manufacturing Industry

When asked what sort of a climate they expected the Government to provide for manufacturing industry over the next two years, there were clear differences in expectations of M.P's of different parties.

Overall, more than two-thirds expected the Government to provide a more favourable climate in some respects for manufacturing industry (69%), while a third expected a climate for manufacturing industry which was unfavourable in some respects (32%) – 10% were neutral, or not sure what climate the Government would provide. Answers add to more than 100% because some members mentioned both favourable and unfavourable aspects.

Almost all **Conservative M.P's** expected the Government to provide a climate which was favourable in some respects (93%), while one in ten **Conservative M.P's** thought some aspects would be unfavourable (9%).

In contrast, one in three **Labour M.P's** expected the Government to provide a climate for manufacturing industry which was favourable in some respects, while 71% of **Labour M.P's** expected a climate which was unfavourable in some respects.

Climate Government will provide for manufacturing industry.

	Any favourable answers %	Any unfavourable answers %	Neutral/ not sure %
ALL MEMBERS	69	32	10
Conservative	93	9	4
Labour	32	71	21

Main favourable answers given by M.P's were:

Lower inflation/price stability/lower cost to industry	33%
Improved competition/competitiveness	18%
Lower interest rates	15%
Tax reductions/tax incentives	13%
Less interventions/bureaucratic control	11%
Growth/recovery/upturn/reflation	11%
Improved productivity/efficiency	7%
More support for industry/assistance/aid	6%
Reduced rates/control rates	5%
Maintain monetary policies	5%

with other favourable answers each given by fewer than 5% of all members.
At least one in ten **Conservative M.P's** expected

Lower inflation/price stability	49%
Improved competition/competitiveness	27%
Lower interest rates	25%
Tax reductions/incentives	20%
Less intervention/bureaucratic control	16%
Growth/recovery/upturn/reflation	11%
Improved productivity/efficiency	11%

In contrast, few **Labour M.P's** mentioned any individual aspects of the climate expected to be provided by the Government that would be favourable to manufacturing industries. Those mentioned were limited to maintenance of monetarist policies to prevent inflation (12%), growth/recovery (9%), lower inflation (6%) and improved competition (6%).

Unfavourable aspects of the climate for manufacturing industry expected to be provided by the Government over the next two years mentioned by **Labour M.P's** were:

Low demand/no expansion	44%
Hostile/rough/poor/harsh (unspecified)	41%
No financial assistance/government help/aid	12%

With 15% giving unfavourable answers and 15% expecting a neutral climate for manufacturing industry.

Table 12a: Climate for Manufacturing Industry Expected to be Provided by the Government over the next two years.

	Cons. M.P's %	Lab. M.P's %
ANY FAVOURABLE ANSWER	93	32
Lower inflation/pricestability/ lower costs to industry	49	6
Improved competition/competitiveness/ free/open market	27	6
Lower interest rates	25	0
Tax reductions/tax incentives	20	3
Less intervention/less bureaucratic control	16	3
Growth/recovery/upturn/reflation	11	9
Improved productivity/efficiency	11	0
More support for industry/assistance/ aid/selective aid	9	3
Reduced rates/control rates	9	0
Maintain monetary policies	2	12
Improved industrial relations/ stability in industrial relations	5	0
Controlled public expenditure	5	0
Increased investment (unspec)	2	0
Lower unemployment	4	0
Energy subsidies/control of energy costs	4	0
Lower wage settlements/control wages	4	0
Increased profitability	2	0
More privatisation/denationalisation	2	0
Increased capital allowances	2	0
More public expenditure (on infrastructure, roads, etc)	0	3
Increased exports	0	0
Good/favourable/optimistic/kinder (unspec.)	13	3
Other favourable answers	22	3

Table 12b: Climate for Manufacturing Industry Expected to be Provided by the Government over the next two years.

	Cons. M.P's	Lab. M.P's
	%	%
ANY UNFAVOURABLE ANSWER	9	71
Low demand/no expansion/ depressed markets/no stimulation	0	44
No subsidies/fuel subsidies/market pricing	7	0
No financial assistance/government help/aid	0	12
High unemployment	0	9
High interest rates	0	3
Sterling overvalued/exchange rates high	0	3
Low investment	0	6
Increased taxes/high taxation	0	3
Increased imports	0	3
Increased inflation	0	0
Hostile/rough/poor/harsh (unspec.)	4	41
Other unfavourable answers	0	15
Neutral/average/no change/ neither good nor bad	2	15
Not sure	2	6

SURVEY B

6. Attitudes to Specific Industries and Effect of EEC Legislation

Industries seen by a majority of M.P's as doing a very or fairly good job for the country were:

Oil	91%
Chemicals	91%
Computers	91%
North Sea Oil operators	89%
Electrical and electronics	78%
Farming and agriculture	74%
Food manufacturers	73%
The Gas industry	70%
Airlines	70%
Retail stores	70%
Brewing	68%
Defence industry	65%
DIY	62%
Banks	58%
Confectionery	57%
Pharmaceuticals	57%
Wine & Spirits	55%
Soft drink	55%
Glass manufacturing	54%
Motor and general insurance companies	51%
Bread and cake making	51%
Foreign-owned multi-national companies	50%

Other industries seen by a majority of Conservative M.P's as doing a very or fairly good job for the Country were:

Building and construction	71%
Motor car components	58%
Tobacco	56%
Electrical appliance manufacturers	53%

Fewer industries were seen by a majority of Labour M.P's as doing a very or fairly good job for the Country:

Computers	85%
Chemicals	82%
The gas industry	79%
Oil	76%
North sea oil operators	76%
Airlines	65%
British Rail	59%
Coal mining	56%
Electrical and electronics	56%
Food manufacturers	56%
Glass manufacturing	50%

Table 13: Overall Industry Ratings

	Very good %	Fairly good %	Neither %	Rather poor %	Very poor %	Not sure %
Airlines	15	55	14	8	1	7
Car manufacturers	3	43	20	26	3	4
Computers	53	38	4	2	0	3
Confectionery	17	40	22	6	2	13
Banks	25	34	14	20	5	3
Newspapers	3	13	13	39	29	3
Coalmining	5	33	19	32	7	3
D.I.Y.	14	48	24	2	0	12
Chemicals	26	65	1	4	0	4
North Sea oil operators	44	45	1	6	0	4
Electrical appliance manufacturers	10	36	23	21	2	8
Engineering	4	37	17	35	2	5
Glass manufacturing	12	42	18	8	1	19
Magazines	5	30	34	16	2	12
Food manufacturers	16	57	17	5	0	4
Bread and cake making	11	40	28	7	0	14
Motor and general insurance companies	11	41	25	16	0	8
Defence industry	28	37	15	11	5	3
Oil	36	55	3	3	0	3
Packaging	6	37	30	6	0	20
Asbestos	0	12	19	23	25	21
Pharmaceuticals	15	41	15	16	6	6
Farming and agriculture	33	40	10	9	2	5
Building and construction	6	42	17	26	4	5
Publishing	11	29	31	16	0	13
Retail stores	28	42	15	10	0	5
Brewing	20	48	15	10	3	4
Soft drinks	10	45	22	9	0	15
Textiles and man-made fibres	3	34	19	34	2	8
Shipping	1	19	19	40	11	9
Wine and spirits	12	44	26	6	0	12
Electrical and electronics	22	56	10	6	1	5
Tobacco	14	28	21	23	6	8
Foreign-owned multi-national companies	14	36	8	21	5	16
Motor car components	5	38	25	20	3	8
British Rail	4	33	22	33	4	3
The Gas industry	23	48	14	12	1	3

Table 14: Industries seen as doing a very/fairly good job for the Country

	Cons. M.P's %	Lab. M.P's %
Oil	98	76
Chemicals	95	82
Computers	95	85
North Sea oil operators	95	76
Electrical and electronics	91	56
Farming and agriculture	91	47
Food manufacturers	84	56
The Gas industry	67	79
Airlines	69	65
Retail stores	89	38
Brewing	84	41
Defence industry	84	35
D.I.Y.	69	47
Banks	73	41
Confectionery	65	41
Pharmaceuticals	73	35
Wine and spirits	67	38
Soft drinks	69	29
Glass manufacturing	56	50
Motor and general insurance companies	67	29
Bread and cake making	60	35
Foreign-owned multi-national companies	65	26
Building and construction	71	15
Car manufacturers	47	44
Electrical appliance manufacturers	53	26
Motor car components	58	24
Packaging	49	32
Engineering	47	32
Publishing	45	24
Coalmining	27	56
Textiles and man-made fibres	42	26
British Rail	25	59
Magazines	47	12
Shipping	25	12
Newspapers	20	9
Asbestos	18	3

SURVEY B

7. Expected Adverse Effect on Industry of Some EEC Legislation

Hostility to some EEC legislation or regulations on both sides of the house is evident from the number of industries mentioned by at least 10% of members as likely to be hindered by impending EEC legislation or regulations which will be bad for the consumer:

Farming and agriculture	29%
Food manufacturers	22%
Brewing	21%
Bread and cake making	17%
Wine and spirits	16%
Car manufacturers	12%
Shipping	11%
North Sea Oil operators	10%

of which brewing (25%) and farming and agriculture (24%) were mentioned by around a quarter of Conservative M.P's.

Eight industries were each mentioned by at least one in five Labour M.P's as likely to be hindered by EEC legislation/regulations which will be bad for the consumer:

Farming and agriculture	35%
Food manufacturers	26%
Wine and spirits	21%
Car manufacturers	21%
Shipping	21%
North Sea Oil operators	21%
Engineering	21%
Textiles and man-made fibres	21%

Table 14: Industries expected to be hindered by impending EEC legislation or regulations which will be bad for the consumer:

	Cons. M.P's %	Lab. M.P's %
Farming and agriculture	24	35
Food manufacturers	16	26
Brewing	25	15
Bread and cake making	16	18
Wine and spirits	13	21
Car manufacturers	9	21
Shipping	5	21
North Sea oil operators	4	21
Electrical appliance manufacturers	2	18
Engineering	4	21
Textiles and man-made fibres	4	21
Confectionery	5	12
Motor car components	4	15
Building and construction	5	15
Soft drinks	9	6
Pharmaceuticals	4	9
Airlines	5	9
Computers	0	15
Oil	2	15
British Rail	0	18
Coalmining	0	18
Tobacco	5	6
Chemicals	5	6
The Gas industry	0	15
Motor and general insurance companies	4	3
Packaging	4	6
Electrical and electronics	0	9
Asbestos	4	3
Retail stores	4	3
Defence industry	0	6
Glass manufacturing	0	9
Publishing	0	9
Newspapers	0	3
Foreign-owned multi-national companies	2	3
D.I.Y.	0	6
Banks	0	3
Magazines	0	3

SURVEY B

8. Industries expected to be helped by some EEC regulations

Five industries were mentioned by at least one in five M.P's as those where EEC legislation or regulations would be good for consumers:

Car manufacturers	28%
Farming and agriculture	26%
Coal mining	22%
Electrical and electronics	21%
Asbestos	20%

However, effects which were expected to be favourable to the consumer resulted in some cases from EEC legislation or regulations which would be bad for the industry, so response to questions on expected benefit to consumers have been analysed by whether M.P's expect this effect to be favourable or unfavourable for the industry.

Three industries were mentioned by around one in five M.P's as those which would be helped by impending EEC legislation or regulations which would be good for the consumer.

Coal mining	22%
Electrical and electronics	20%
Computers	19%

while at least one five Conservative M.P's also mentioned:

Motor and general insurance companies	22%
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Fewer than one in five Labour M.P's mentioned any specific industry which they thought would be helped by impending EEC legislation or regulations which would be good for the consumer.

Coal mining	50%
Computers	33%
Chemicals	33%
Wine and spirits	33%
Foreign-owned multi-national companies	33%
Textiles and man-made fibres	33%

In contrast, few Conservative M.P's mentioned any industry they expect to be helped by impending EEC legislation or regulations which would be bad for the consumer, while at least one in ten Labour M.P's mentioned:

Farming and agriculture	18%
Foreign owned multi-national companies	12%

Table 15: Industries expected to be helped by impending EEC legislation or regulations which will be good for the consumer

	Cons. M.P's %	Lab. M.P's %
Coal mining	22	18
Electrical and electronics	22	18
Computers	20	15
Chemicals	16	12
Car manufacturers	16	16
Farming and agriculture	18	15
Wine and spirits	18	6
Banks	18	9
Motor and general insurance companies	22	0
Engineering	15	12
North Sea oil operators	15	9
Electrical appliance manufacturers	11	15
Foreign-owned multi-national companies	15	3
Defence industry	18	3
Textiles and man-made fibres	11	9
Oil	16	3
Building and construction	13	6
Glass manufacturing	15	6
Food manufacturers	16	0
Confectionery	15	3
Airlines	11	6
Motor car components	13	6
Retail stores	9	9
Shipping	9	6
Pharmaceuticals	11	6
Newspapers	7	12
Packaging	9	3
British Rail	9	3
D.I.Y.	7	6
Asbestos	5	9
Magazines	9	0
Brewing	5	3
Publishing	7	3
Tobacco	5	0
Soft drinks	5	3
The Gas industry	4	3
Bread and cake making	4	0

SURVEY B

9. Satisfaction with relations between Westminster and industry

Overall, few M.P's were very satisfied with the relations which Westminster has with British industry in general (4%): though half (50%) were fairly satisfied with relations between Westminster and British industry.

More than one in four (26%) were not very satisfied with relations and (13%) were not at all satisfied with relations which Westminster has with British industry.

Perhaps not surprisingly, **Conservative M.P's** were more likely than others to be satisfied with relations between Westminster and industry, though most **Conservative M.P's** were only fairly satisfied (65%) – fewer than one in ten **Conservative M.P's** were very satisfied with relations between Westminster and industry (7%).

Most **Labour M.P's** were not satisfied with relations between Westminster and industry – either not very satisfied (35%) or not at all satisfied (24%), though one in three were fairly satisfied (32%).

Table 16: Satisfaction with relations between Westminster and industry

	Cons. M.P's	Lab. M.P's
	%	%
Very satisfied	7	0
Fairly satisfied	65	32
Not very satisfied	16	35
Not at all satisfied	5	24
Not sure	5	9

10. Attitudes to British Management Performance and Prospects

Only one in eight M.P's thought senior management in Britain had performed very well during the recession (12%) – most thought senior British management had performed:

Quite well	56%
Not very well	15%
Badly	11%

Most **Conservative M.P's** thought that senior British management had performed at least quite well (93%), whereas **Labour M.P's** typically thought that senior British management had not performed very well during the recession:

Quite well	32%
Not very well	35%
Badly	29%

However, despite these divisions in attitudes on the performance of senior British management in recent years, the calibre of senior management in Britain was seen as better than five years ago by nearly three-quarters of all M.P's (73%) – either much better (28%) or a little better than five years ago (45%). Only one in ten M.P's thought the calibre of British management worse than five years ago (10%).

Nearly all **Conservative M.P's** thought that the calibre of senior British management had improved over the past five years (96%) – one in three **Labour M.P's** thought the quality of senior British management unchanged (35%) while one in four thought the calibre of senior British management had declined over the past five years.

There appears to be little sympathy among M.P's for the idea that senior managers in Britain are underpaid – most (65%) thought British managers very well or quite well paid – two-thirds of M.P's considered senior British managers well paid – either very well paid (21%) or quite well paid (44%) and only 4% thought senior British managers badly paid.

Not surprisingly there were marked differences in attitudes on party lines but even among **Conservative M.P's** more than half thought senior British managers well paid – either very well paid (15%) or quite well paid (40%) and four out of five **Labour M.P's** thought senior British managers very well (29%) or quite well paid (50%).

A majority of M.P's thought senior British managers were doing very or fairly well on six out of twelve criteria:

Increasing productivity	81%
Keeping wage increases below the inflation rate	74%
Quality of products and services	68%
Increasing competitiveness	67%
Investment to keep their company competitive	56%
Competitive in World markets	54%

However, fewer than half thought British managers were doing very or fairly well on the remaining six criteria:

Competitive in home markets	49%
Design of products and services	47%
Communicating with employees	45%
Salesmanship	29%
Aftersales service	27%
Employee participation	23%

Conservative M.P's rated British managers more highly than **Labour M.P's** on all criteria and there were only three criteria on which a majority of **Conservative M.P's** did not consider senior British managers were doing very or fairly well:

Salesmanship	40%
After-sales service	33%
Employee participation	35%

In contrast there were only four criteria on which a majority of **Labour M.P's** thought British managers were doing very or fairly well:

Keeping wage increases below the inflation rate	74%
Increasing productivity	62%
Quality of products and services	62%
Design of products and services	50%

Table 17: Perceptions of British Management Performance, Calibre and Pay.

	Cons. M.P's %	Lab. M.P's %
PERFORMANCE		
Very well	20	0
Quite well	73	32
Not very well	7	35
Badly	0	29
Not sure	0	3
CALIBRE		
Much better than 5 years ago	45	3
A little better than 5 years ago	51	32
Unchanged	4	35
A little worse than 5 years ago	0	18
Much worse than 5 years ago	0	6
Not sure	0	6
PAY		
Very well	15	29
Quite well	40	50
Not very well	40	12
Badly	4	6
Not sure	2	3

Far fewer **Labour M.P's** than **Conservative M.P's** considered senior British managers were doing very or fairly well at:

Increasing competitiveness	38%
Competitive in home markets	29%
Investment to keep their company competitive	24%
Competitive in World markets	24%
Aftersales service	21%
Communicating with employees	12%
Salemanship	9%
Employee participation	6%

All M.P's were then asked to say in which three of the same twelve areas they thought it most important for British management to do well. At least half mentioned:

Investment to keep their company competitive	65%
Competitive in World markets	53%

and one in three mentioned:

Quality of products and services	33%
Increasing competitiveness	32%

Among **Conservative M.P's** areas most often mentioned as most important for British management to do well in, were:

Competitive in World markets	64%
Investment to keep their company competitive	60%

followed by:

Increasing competitiveness	40%
Quality of products and services	38%

In contrast, one factor – investment to keep their company competitive – was seen as most important by three out of four **Labour M.P's** (76%), together with.

Communicating with employees	41%
Competitive in World markets	32%

Table 18: Ratings of British Managers

	Very well %	Fairly well %	Not very well %	Badly %	Not sure %
Investment to keep their company competitive	2	54	29	9	6
Communicating with employees	3	42	32	17	5
Employee participation	1	22	35	29	13
Increasing competitiveness	11	57	23	4	5
Increasing productivity	18	62	13	3	3
Keeping wage increases below the inflation rate	15	59	14	4	8
Competitive in world markets	3	50	33	8	5
Competitive in home markets	4	45	40	7	4
Design of products and services	7	40	40	6	6
Salesmanship	0	29	48	14	8
Quality of products and services	6	61	23	2	7
After-sales service	2	25	42	20	11

Table 19: Areas in which British Managers seen as doing very/fairly well

	Cons. M.P's %	Lab. M.P's %
Increasing productivity	93	62
Keeping wage increases below the inflation rate	76	74
Quality of products and services	71	62
Increasing competitiveness	85	38
Investment to keep their company competitive	78	24
Competitive in world markets	73	24
Competitive in home markets	64	29
Design of products and services	51	50
Communicating with employees	67	12
Salesmanship	40	9
After-sales service	33	21
Employee participation	35	6

When asked what they thought was the most important help the Government should be seeking to give senior management over the next two years, at least one in ten M.P.'s spontaneously mentioned:

Lower inflation/control inflation	27%
More tax incentives/grants/encourage investment in industry	18%
Larger domestic markets/expand/reflate/stimulate domestic market	18%
Lower interest rates/keep interest rates down	16%
Stable/sound economy/stability (generally)	14%
Reduce government interference/deregulate	10%

However, M.P.'s not surprisingly divided clearly on party lines in the priorities they sought for Government help to industry, with at least one in five Conservative M.P.'s mentioning:

Lower inflation/control inflation	42%
Lower interest rates/keep interest rates down	24%

In contrast at least one in five Labour M.P.'s sought:

Larger domestic markets/expand/reflate	41%
More tax incentives/grants/encourage investment in industry	29%
Import controls/market protection/import substitution	21%

Table 20: Three areas considered most important for British Management to do well in.

	Cons. M.P's %	Lab. M.P's %
Investment to keep their company competitive	60	76
Competitive in world markets	64	32
Quality of products and services	38	24
Increasing competitiveness	40	24
Communicating with employees	18	41
Design of products and services	22	21
Competitive in home markets	27	12
Increasing productivity	16	21
Keeping wage increases below the inflation rate	24	3
Employee participation	4	29
Salesmanship	13	18
After-sales service	7	9
Not sure	2	3

Table 21: Most important help Government should give senior management over next two years (unprompted)

	Cons. M.P's %	Lab. M.P's %
Lower inflation/control inflation/ keep down inflation	42	3
More tax incentives/grants/ encourage investment in industry	15	29
Larger domestic market/expand/ reflate/stimulate domestic market	4	41
Lower interest rates/keep interest rates down	24	3
Stable/sound economy/stability (generally)	18	6
Reduced Government interference/ deregulate/rescind legislation	16	0
Import controls/market protection/ import substitution	2	21
Reduce taxation (unspec.)	13	3
Help in exports/overseas contracts	5	15
Maintain present policies	9	0
Reduce/control government spending	11	0
Reduce company taxation	9	0
Improve industrial relations	4	6
Reward effort/more incentives	5	0
Pursue trade union reform/remove restrictive practices	5	0
Stable currency/control exchange rates	4	3
Improve competitiveness of industry/ increase competition	4	3
More public investment in infrastructure/ works/roads	0	9
Reduce energy costs	2	3
Reduce/eliminate N.I. surcharge	2	3
Develop partnership between government and industry	2	0
Reduce unemployment	0	3
Other help	25	21
Not sure	0	0

11. Sources of information on Industry

Overall, M.P's predominantly rely on newspapers to obtain information about Britain's major companies and upon which to base their views. Spontaneous responses included:

Daily papers/quality press/press (unspecified)	52%
Financial Times	35%
The Times	17%
The Guardian	7%
Daily Telegraph	6%
Sunday Times	4%
Observer	3%
Daily Mail	2%

Other printed material included:

The Economist	19%
Company reports/annual reports/ balance sheets	16%
Other material from companies	16%
House of Commons library	13%
CBI material	8%
Trade Union materials	6%
Trade Association	3%
Labour research department/magazine	3%
Press releases/literature	1%

Other methods of obtaining information included:

Personal contact/direct contact	34%
Television	13%
Radio	7%

Though newspapers/press was also most widely mentioned by **Conservative M.P's**, this group were more likely to obtain information on Britains major companies from:

Personal contacts	40%
The Economist	25%

Two-thirds of **Labour M.P's** mentioned newspaper/press and four out of ten specifically mentioned the Financial Times while more **Labour M.P's** than **Conservative M.P's** also mentioned:

Company reports	21%
Other material from companies	26%
The Guardian	21%
Trade Union material	18%
Labour research department/magazine	9%

Table 22: Sources of information on Britain's major companies

	Cons. M.P's %	Lab. M.P's %
Daily papers/quality press/media/ magazines/press (unspec)	47	65
Financial Times	29	41
Personal contacts/direct contacts	40	26
The Economist	25	12
Times	18	15
Other material from companies	13	26
Company reports/annual reports/balance sheets	15	21
Own experience/involvement with industry/companies	11	15
Television	11	15
House of Commons library	11	15
CBI material	9	3
Radio	9	6
Guardian	0	21
Daily Telegraph	9	3
Trade union material/TUC/ASTMS/GMWU	0	18
Sunday Times	5	3
Trade associations	5	0
Observer	4	3
Labour research department/magazine	0	9
Daily Mail	4	0
Press releases/literature/publicity/ company magazine	0	3
Other sources (inc. specific magazines/newspapers)	33	18
None/no information/not interested	0	0
Not sure	0	0

Technical Note – Survey A

Because of the near impossibility of analysing two/three or four responses from M.P's belonging to minority parties, it was decided concentrate solely on Conservative and Labour M.P's (the only two groups who had been sufficiently numerous to analyse in previous years).

56 randomly selected Conservative M.P's and 44 randomly selected Labour M.P's were interviewed after the purpose of the survey had been explained to them.

The resultant sample was checked to ensure the representativeness of the constituencies in terms of region, marginality etc.

All interviews were carried out in person between 3 October and 8 December 1983.

The information is not weighted in any way.

Technical Note – Survey B

This survey of M.P.'s Attitudes to leading British companies is based on detailed personal interviews with 95 M.P.'s conducted between 22nd November 1983 and 16th January 1984.

The sample includes:

- * 55 Conservative M.P.'s
- * 34 Labour M.P.'s

M.P.'s were systematically selected to provide a representative sample of members within each main party. Interviews conducted with members of each main party were weighted in computer analysis to represent the total number of M.P.'s in the Conservative and Labour parties on the assumption that front bench spokesmen unavailable for interview were more likely to share the views of other M.P.'s in their own party than the views of a hypothetical 'average' M.P.

All interviews were conducted by executive researchers of City Research Associates with substantial experience of interviewing senior decision-makers and opinion leaders.

Following completion of fieldwork, questionnaires were edited and coded by specialist coders and analysed by computer to provide comparative data for:

Total members
Conservative
Labour

and by whether members were satisfied with relations between Westminster and industry and expected future changes in Government policy.