



Prime Minister ②

8 To note that this group has now been launched.

AT 12/1

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From the Secretary of the Cabinet and Head of the Home Civil Service

Sir Robert Armstrong GCB CVO

Ref. A084/136

12 January 1984

The Prime Minister has agreed with the Minister of Agriculture and the Chief Secretary, Treasury that the time has come for a review of the present system and level of United Kingdom domestic support for agriculture. She has instructed me to set up an Official Group on Agricultural Expenditure under Cabinet Office Chairmanship with the following remit:

- i. to establish, on the basis so far as possible of agreed figures, the present cost of agricultural support and the degree to which the scale of this support may exceed the scale of support provided for other sectors of the economy such as manufacturing industry;
- ii. to consider, in the light of likely developments in the Common Agricultural Policy following the post-Stuttgart negotiations, the scope for changes in UK domestic support for agriculture;
- iii. in particular to examine each of the present measures of UK domestic support (other than rate relief on which there has been a very recent Government commitment) with a view to establishing whether it should continue and at what level; and to prepare options for reducing expenditure to be considered by Ministers in good time for decisions to be taken in the next Public Expenditure Survey.

The Group will consist of representatives from the following:

- No 10 Policy Unit
- HM Treasury
- Northern Ireland Office
- Scottish Office
- Welsh Office
- Ministry of Agriculture, Fisheries and Food.

/In addition

Sir Michael Franklin KCB CMG



SECRET AND PERSONAL

In addition to the Cabinet Office Chairman (Peter Gregson) the Group will also include David Williamson who heads the European Secretariat in the Cabinet Office. Other Departments may be invited if required. The Secretaries will be David Durie and Barry Potter in the Cabinet Office.

I should be grateful if you and other recipients of this letter would let me have the names of their representatives, which should normally be at Deputy Secretary or Under Secretary level, by Tuesday, 17 January.

The knowledge of the existence of the Group should be confined to the Ministers concerned and to those officials who take part in its work. Its papers will be marked SECRET AND PERSONAL, will be circulated only to the members of the Group and to those concerned in the Cabinet Office, and should be seen only by those whom the recipients specifically authorise to see them for the purpose of giving essential assistance with the work of the Group.

I am sending copies of this letter to Peter Middleton (Treasury), Robert Andrew (Northern Ireland Office), Kerr Fraser (Scottish Office), Trevor Hughes (Welsh Office) and Robin Butler (10 Downing Street).

ROBERT ARMSTRONG

SECRET AND PERSONAL