

Prince Printer

This till may be brought to

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My ref:

Your ref:

December 1985

DEREGULATION

attached Thank you for your letter of 29 November about progress on deregulation.

I find it very surprising that you should write in terms that imply that this Department is not fully committed to the objective of deregulation. Not only did we make a substantial contribution to the White Paper "Lifting the Burden" but we have made rapid progress towards implementing those commitments, notably on planning.

We have already designated a focal point to act as liaison with your Unit and Rodney Elton is monitoring progress closely. The reports you have asked for have been prepared and will be coming to you on time.

However, both the concordat and, if I may say so, your letter continue to miss the point that regulations are not an end in themselves but are a means of implementing policy. Policies do sometimes lead to the need for rules and regulations, some applicable to the community at large and some to business specifically. We have well developed arrangements for seeking and taking into account the views of all those affected, whether business or other interests. We are certainly not in thrall to the environmental or local authority lobbies as you seem to imply but we are responsible in this Department for policies that concern public health and safety; environmental pollution, conservation and local amenity for which there is widespread public support. Our aim should be to ensure that any associated regulations are strictly necessary to implement those policies effectively while imposing no unnecessary burden on business.

It is surely essential that the new arrangements that you propose should not themselves be a source of unnecessary work and delay. My officials have therefore been seeking to get the procedures clarified and kept as simple as possible while ensuring that they work effectively.

I am quite prepared to agree to the substance of the Concordat on the understanding that our officials subsequently discuss and agree:

(i) working arrangements that make clear the points at which it is required to consult the EDU and the purpose of doing so;

(ii) the details of the full compliance cost assessments.

My officials are already keeping yours up to date with progress on various items of business and we will be able to report very positive progress in the White Paper that you are planning to publish next May.

I would be happy to discuss these points further with you if that would be helpful. I am as anxious as you are to get on with the job of reducing the burden on business. I think we can best do that by ensuring that the new arrangements do not add a further tier of bureaucracy and regulation to Whitehall's own working methods.

I am copying this letter to the Prime Minister.

KENNETH BAKER

