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MINISTRY OF AGRICULTURE, FISHERIES AND FOOD  
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From the Minister  
CONFIDENTIAL

Rt Hon Lord Young of Graffham  
Secretary of State for Employment  
Caxton House  
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NBAM

9 December 1985

*David*  
DEREGULATION

FLAP PT 19

Thank you for copying to me your letter of 29 November to Leon Brittan.

Reducing the burdens on business must clearly be a high priority. I have always been anxious that my Department's regulatory activities should be kept to a minimum and that those regulations we do make should be as simple as possible. My Department has developed very close relations with the industries it sponsors and has, I believe, a very good reputation with those industries for not imposing unnecessary burdens. However, John Belstead and I intend to review whether there may nevertheless be areas where the Department's regulations are imposing unnecessary burdens. We will be inviting views from the industries affected. There are also areas where other Departments' regulations and procedures cause problems for farming and other industries we sponsor: we also want to be looking at these.

However, I think it is essential to be selective. We cannot hope to tackle everything at once. In my Department I will be trying to identify specific problem areas and then to apply our deregulation strategy to those areas.

I do feel that the procedures set out in the attachment to your letter also need to be looked at from that point of view. It seems to me very ambitious to envisage a comprehensive system which requires a full schedule to be prepared every 3 months of all regulations expected to be made in the next 6 months and compliance cost assessments to be prepared on every proposed regulation "which could affect business" and which expects every such assessment to be sent to your central Unit "in good time for the latter to take a considered view of the proposals" (except for specially urgent cases). As Nicholas Ridley has said in his letter to you, I do think that, if it is to be effective, your central Unit is going to have to be a lot more selective. Moreover, if the system is not selective, it could entail Departments in producing a huge amount of not very useful paper; and that is liable to impede rather than promote the cause of deregulation.

/At the same .....



GOUT MACH  
RAYNER  
PT20

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At the same time, I was glad to see that the attachment to your letter recognised that the problems of EC agricultural regulations have to be looked at separately. EC regulations account for a very large part of my Department's regulatory activities; and there certainly is a need to try and curb the Commission's regulatory enthusiasm. However, we must tackle this at a Community level following through the Prime Minister's initiative and the progress made at the European Council this week.

I also welcome your acceptance that it must be for Departments to decide whether a regulation has an impact on business and so requires a compliance cost assessment. Clearly it is Departmental Ministers who must be responsible for seeing that their Departments apply the deregulation strategy; and, as I have indicated above, I think that Departmental Ministers as well as your central Unit will need to proceed selectively, tackling their major problem areas first and then moving on to the less serious areas rather than attempting an across the board approach from the start.

I am copying this letter to the Prime Minister, Geoffrey Howe, Leon Brittan, Nigel Lawson, Douglas Hurd, Peter Walker, Kenneth Baker, Norman Fowler, Nicholas Ridley, Norman Tebbit, Richard Luce and Sir Robert Armstrong.

*James Egan*  
*Michael*

MICHAEL JOPLING