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DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
Telephone (Direct dialling) 01-215
GTN 215)5422
(Switchboard) 01-215 7877

Secretary of State for Trade and Industry

14 October 1986

The Rt Hon Michael Jopling MP
Minister of Agriculture,
Fisheries and Food
Whitehall
LONDON
SW1

Dear Michael

NGM

ALTERNATIVE USE OF AGRICULTURAL LAND AND SOURCES OF RURAL EMPLOYMENT

at 11ap

Thank you for sending me a copy of your minute to the Prime Minister of 22 September.

I am doubtful whether we should be looking now at putting more financial support into the agricultural sector, on the lines sketched out in your minute. As I understand it, the marked changes in land use envisaged in the officials' report will happen only gradually over a period of years - and then only if we make good progress in our efforts to reform the CAP. While the official group looked at various options for alternative use of land likely to be released from traditional farming, the report itself recognises that a decisive case for Government financial support in these areas has yet to be made. Our objections to the CAP are, in part, based on the belief that European support levels for agriculture could not be justified by the stricter criteria we believe appropriate to Government intervention in the economy. We must therefore look equally critically at proposals for financial intervention designed to mitigate the effects of possible success on CAP.

That said, I naturally endorse the aim of encouraging alternative economic and wealth-creating development in these rural areas, especially where this can be done without additional expenditure. One such case is a relaxation of the planning restrictions on agricultural land, and I welcome your emphasis on the need for some change here. The policy set out in DOE Circular 75/76 is now more than ten years old and needs to be revised. We need to reduce the number of planning applications where business

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development is frustrated for agricultural reasons rather than on environmental or amenity grounds. Officials should be asked to prepare proposals for public consultation on such changes, whether or not there is to be a wider policy document.

I am sending copies of this minute to the Prime Minister, the Lord President, the Secretary of State for Foreign and Commonwealth Affairs, the Chancellor of the Exchequer, the Secretaries of State for Wales, Northern Ireland, Scotland, Environment and Employment, the Chancellor of the Duchy of Lancaster, the Chief Secretary and Sir Robert Armstrong.

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PAUL CHANNON

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