

NFA.
22/3

PRIME MINISTER

There was a meeting last night of the Forestry Sub-Committee at which great concern was expressed about the provisions in the Budget not to allow planting and maintenance of timber forests to be set off against tax.

The Duke of Buccleuch was saying that he intended to lay off 70 of his foresters unless some change was made.

It does seem to me that there is a danger of flushing out the baby with the bath water.

A compromise which might be worth considering would be to "ring fence" estates so that expenses incurred on an estate for the purposes of forestry could be offset against income generated by that estate. This would have the effect of preventing Terry Wogan from planting fir trees in Scotland with his showbiz earnings, but would enable the lairds to invest in the planting of trees.

Worst the Duke seems

Some of the grants - it is

Quite generous. If not - cheap

AH.

ARCHIE HAMILTON
17.3.88

also to Peter Brooker. no