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ASPPM

AT 1/16

PRIME MINISTER

MISC 106: AGRICULTURE R AND D EXPENDITURE

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1. I have now seen a copy of Andrew Turnbull's minute of 15 October to Miss Janet Lewis-Jones and the accompanying comments from Dr Nicholson; and of Michael Jopling's response to you of 26 October.  
*with AT?*
2. As you will know, for the reasons set out in my letter of 3 August to Peter Rees and copied to you, reductions in MAFF's R and D commissions with AFRC could have serious consequences for the Science Budget and for the Council. Even on present planning figures, AFRC will have to abolish several hundred posts over the next three years. Any further reductions, even less than a million, will inevitably mean more job losses; reductions of the order mooted in the correspondence - running to tens of millions - would have massive structural consequences for the Council.
3. I would simply ask, at this stage, that any recommendation by MISC 106 for reductions in R and D spending by the agriculture departments should explicitly provide either that commissions with AFRC are excluded or that any consequential costs - as for redundancies - should be met from sources entirely outside the Science Budget. I would also ask that if any cuts recommended exceed more than say 5% in 1987-88 and there is no explicit exoneration of commissioned work, we should ask officials for an assessment of the likely impact on the structure of the AFRC before taking a final decision.
4. I am copying this minute to Michael Jopling and other recipients of his minute.

KJ

1 November 1984