

cc Policy Unit ✓

PRIME MINISTER

AGRICULTURAL DEVELOPMENT AND ADVISORY SERVICES

John MacGregor's minute at flag A recommends that ADAS should press ahead with developing charging for certain of its services, with a target of 50 per cent recovery by 1993/94. This reflects the agreement reached with the Chief Secretary in this year's Public Expenditure Survey.

The Policy Unit (flag B) agree with this, [redacted] But they suggest you should take this opportunity to press John MacGregor to take <sup>a</sup> ~~the~~ much more radical approach - ie invite him to prepare an early paper on the scope for privatising as much as possible of ADAS, with agency status as a step en route.

Content that I should minute out on the basis proposed by Policy Unit?

I think he has enough to do at the moment. Leave this until <sup>not</sup>

PLG

PAUL GRAY

21 October 1988

PM3ADG