

PRIME MINISTER

I attach the draft Government response (Flag A) to the first report from the Education, Science and Arts Committee on the future of the science budget.

The draft response is an uncontroversial re-statement of the Government's science policy. In particular, it resists the proposal that the ABRC should be combined with ACARD to establish a new body.

John Fairclough's note (Flag B) proposes that the statement accompanying the Government's response should stress the importance attached by the Government to maintaining a
① healthy science base; and the need for the scientific
② community to consider what resources should be devoted to pure and strategic research, and what should be the priorities for
③ applied research to gain maximum economic benefit. The Secretary of State sees no difficulty in incorporating Mr. Fairclough's points.

Agree:

- (i) the draft Government response, subject to the views of colleagues;
and
- (ii) that the Secretary of State should incorporate John Fairclough's points in the statement accompanying publication of the response?

Yes
Yes
Mark Addison

MARK ADDISON

4 July 1986



SL3 ARP
cc BG

10 DOWNING STREET

From the Private Secretary

7 July 1986

Dear Rob

HOUSE OF COMMONS EDUCATION, SCIENCE AND ARTS REPORT:
THE FUTURE OF THE ARTS BUDGET

The Prime Minister has seen your Secretary of State's minute of 24 June, together with the attached draft of the proposed Government reply to the Select Committee report.

The Prime Minister is content with the draft, subject to the views of colleagues. The Prime Minister has also noted the suggestions made by John Fairclough that the accompanying statement should indicate the importance attached by the Government to maintaining a healthy and vigorous science base, and stress the need for the scientific community to consider what resources should be devoted to pure and strategic research, and what should be the priorities for applied research to gain maximum economic benefit from it. She is glad that your Secretary of State sees no difficulty in incorporating those themes into the statement.

I am copying this letter to Jill Rutter (Chief Secretary's Office), Tony Galsworthy (Foreign and Commonwealth Office), Ivor Llewelyn (Ministry of Agriculture, Fisheries and Food), Richard Allan (Department of Transport), Tony Laurance (Department of Health and Social Security), Geoff Dart (Department of Energy), John Howe (Ministry of Defence), John Mogg (Department of Trade and Industry), Andrew Lansley (Chancellor of the Duchy of Lancaster's Office), Michael Stark (Cabinet Office) and John Fairclough.

Z er

Mark Addison

MARK ADDISON

Rob Smith, Esq.,
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