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9-12-92
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15/12 Ministry of Agriculture, Fisheries and Food
Whitehall Place, London SW1A 2HH



From the Minister

PRIME MINISTER

For Information

Ms Alliston DU

NH
OPG
15/12

Mr Priddle

Mr Brown DU

SPAD

M. Murphy
cc for me ✓

DEREGULATION

1. I fully support the vigorous action that you are taking to further the Deregulation Initiative as set out in your personal minute to me of 30 November. The Initiative is being pursued energetically in this Department and I will let you have a brief note for use at the seminar in late January. I had already asked my Permanent Secretary to take personal charge of the deregulation work in this Ministry and I am, as you suggested, formally confirming this arrangement.

2. You mention two particular points where deregulation action appears desirable. There appears to have been misunderstanding about both of these.

3. You will also be pleased to know that the new rules on meat hygiene do not apply to retail butchers or to village shops selling meat. It is clear that the new EC hygiene legislation is seen as a convenient whipping boy for interests who are opposed to the EC. There is no doubt that the decline in the number of small butchers is principally due to general economic and

socio-economic factors and to growing strength of the competition from the supermarkets. Our Regulations and guidance implementing the EC Fresh Meat Directive contain several measures intended to help small slaughterers in order to minimise any knock-on effects on local trade. I am arranging for the December Agriculture Council to take a fresh look at the provisions of the Directive with a view to reducing their effect on the smaller slaughterhouses.

4. I share your concern to curb the regulatory zeal of Brussels and to see that Whitehall does not unnecessarily embellish EC law when applying it in the UK. I am sure that there are issues here that need to be examined. My Department will cooperate fully with the inter-Departmental scrutiny on the application of EC regulations in the UK. Translating EC law into UK law is technically difficult because of the nature of our legal system. It means that we have very complicated UK subordinate legislation to implement EC Directives. Earlier this year MAFF lawyers corresponded with Cabinet Office and the Treasury Solicitors in an attempt to overcome some of these complications. Simplification would, however, apparently require an amendment to the European Communities Act which would clearly not be feasible at the present time. I wonder if following your seminar you might wish to consider establishing a group of legal experts to study these problems and advise on possible solutions.

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5. We may also need to define more precisely what types of regulations impose burdens on industry. It is important to target those regulations that are harmful to enterprise and innovation so that we relieve business from unnecessary regulatory restraints. But some types of regulations can be helpful to business where they facilitate and promote trade. I have in mind export certification of products and the certification for health, safety or environmental reasons. I believe that we should aim to develop a strategy that concentrates the Initiative on identifying and abolishing those regulations, licences etc. that are harmful or unnecessarily restrict business initiative and enterprise. The regulations that we have been enacting to

complete the Single Market are mainly regulations that should help sustain business enterprise in the larger Single Market. However once the single market is in place we should clearly repeal the UK regulations that the Single Market Directives replace.

6. I can assure you that my Department is energetically developing our deregulation programme and that we expect to press ahead at an even faster pace when resources are released at the end of the EC Presidency. I look forward to participating in your Deregulation Seminar.

7. I am copying this minute to Michael Heseltine and to Sir Robin Butler.



J S G

9 December 1992