

FOX 481 D



fox 481-1 cc as before  
Mr Smith - by fax  
Mr Strong  
Mr Smith  
Prof Bell  
Mr Jenkins  
Mr Meldrum  
Mr Dickenson  
Mr Cruickshank  
Mrs Attridge  
Mr Murphy  
Mr Wentworth

2-Minister 40  
2/6/7

Mr Crawford  
Mr Coo

BMSJ 6.7.88

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon John MacGregor OBE MP  
Minister for Agriculture, Fisheries and Food  
Ministry of Agriculture, Fisheries and Food  
Whitehall Place  
London  
SW1A 2HH

Mr Mella

cc Mr Hollis

Mr Jeffrey

6<sup>th</sup> July 1988

R08.7.

8/7.

Dear Minister,

BOVINE SPONGIFORM ENCEPHALOPATHY

1) Mrs Cough - pls arrange for AH to be sent forms FINS02 and 500 for the  
2) Mr Brown - we have noted a potent PES bid of £350K a year.

Thank you for your letter of 29 June about the measures which you consider necessary to deal with this disease.

I share your reluctance to introduce new Government funded schemes to control animal diseases and do not consider that a case has been made for such a scheme to control bovine spongiform encephalopathy. However I accept that, until it has been established whether the disease is transmissible to humans, special care will be necessary. I therefore agree to your proposal to introduce compulsory slaughter of affected animals, with compensation payable at 50 per cent of market value.

My agreement to this course is due to the need to protect human health from the risk of this disease, not animal health. This must be made clear in your discussions with the industry and in any public statements about the introduction of compulsory slaughter and compensation. It is also important that you should, as you propose, press the industry for a substantial contribution towards the costs of compensation and research. There will be very clear benefits to them from any action to control this disease.

I also consider that the first priority for research into this disease should be to establish whether it is transmissible to humans. Once this has been established we will need to reassess our policy. In my view, if the disease is not transmissible, any expenditure on controlling or eradicating it should be borne by the industry.

8/7/88

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FOX 481 0

I note that you will not be seeking an increase in your programme this year to cover compensation costs. We can consider the costs for future years during the Survey but I consider that you should also be able to contain these relatively small costs within your programme.

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I am copying this letter to Peter Walker, Tom King, Malcolm Rifkind and John Moore.

Yours sincerely,



JOHN MAJOR

(Approved by the Chief Secretary and signed in his absence.)