



From the Minister

The Rt Hon Margaret Thatcher MP
10 Downing Street
London SW1

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON SW1A 2HH

B CC B. Ingham

3 March 1980

George Younger has written to you today about the problems of the fishing industry, giving particular emphasis to the difficulties in Scotland. I fully support his conclusion that we must move quickly to give the United Kingdom fishing industry direct financial support over the next few months.

The economic background and the kind of aid programme we have in mind is set out in the paper prepared by officials. I agree with their assessment of the situation.

I want particularly to underline the political dimension. Our main objective in the fishing sector is to secure an acceptable and realistic outcome to the negotiations on the Common Fisheries Policy. To do this we must carry the industry with us and we have so far managed to do so. But the present moderate and sensible leaders of the industry, with whom we have established sound working relationships, are now under very real pressure. This pressure stems directly from the immediate financial problems described in the paper by officials. We have just seen the death of Hull as a major fishing port. We cannot afford the risk that other ports might go the same way or that the whole situation might turn sour on us.

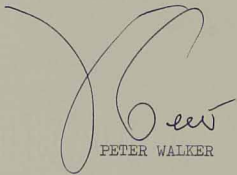
If we do nothing to respond to the industry's appeals for aid, and quickly, I see a very real danger that the present leadership will be overturned by the militants whose main theme will be that the Government is prepared to accept increasing penetration of the UK market by subsidised imports from other EEC countries and cannot be relied upon to work for a fair outcome to the CFP negotiations.

A negative response to the industry's appeals for assistance, which were supported on all sides of the House in the fisheries Debate on 14 February, might well be interpreted by the other Member States in the same way. It will be hard enough to win a fair outcome to the fisheries negotiations. We cannot afford to weaken our negotiating position in this way. Nor can we risk having to fight on two fronts.

/I hope, therefore....

I hope, therefore, that we can move to head off these risks by announcing the modest aid measures George Younger and I have in mind as soon as possible.

I am copying this letter to Peter Carrington, Nicholas Edwards, Humphrey Atkins, George Younger, John Biffen and Robert Armstrong.

A handwritten signature in dark ink, consisting of a large, stylized initial 'P' followed by the name 'Walker' in a cursive script.

PETER WALKER