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CM(76) 15th Conclusions COPY NO 85

CABINET

CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street on

THURSDAY 15 JULY 1976

at 9, 30 am

PRESENT

The Rt Hon James Callaghan MP
Prime Minister

The Rt Hon Michael Foot MP Lord President of the Council

The Rt Hon Roy Jenkins MP Secretary of State for the Home Department

The Rt Hon Anthony Crosland MP Secretary of State for Foreign and Commonwealth Affairs

The Rt Hon Anthony Wedgwood Benn MP Secretary of State for Energy

The Rt Hon Peter Shore MP Secretary of State for the Environment

The Rt Hon Bruce Millan MP Secretary of State for Scotland

The Rt Hon Merlyn Rees MP Secretary of State for Northern Ireland

The Rt Hon Albert Booth MP

The Rt Hon Lord Elwyn-Jones Lord Chancellor

The Rt Hon Denis Healey MP Chancellor of the Exchequer

The Rt Hon Shirley Williams MP Secretary of State for Prices and Consumer Protection and Paymaster General

The Rt Hon Eric Varley MP Secretary of State for Industry

The Rt Hon Roy Mason MP Secretary of State for Defence

The Rt Hon John Morris QC MP Secretary of State for Wales

The Rt Hon Fred Peart MP Minister of Agriculture, Fisheries and Food

The Rt Hon Edmund Dell MP Secretary of State for Trade

SECRET

The Rt Hon David Ennals MP
Secretary of State for Social Services
The Rt II... I and State for Social Services

The Rt Hon Harold Lever MP Chancellor of the Duchy of Lancaster

The Rt Hon Lord Shepherd Lord Privy Seal

The Rt Hon Fred Mulley MP Secretary of State for Education and Science

The Rt Hon Reginald Prentice MP Minister for Overseas Development

The Rt Hon John Silkin MP Minister for Planning and Local Government

THE FOLLOWING WERE ALSO PRESENT

The Rt Hon Michael Cocks MP
Parliamentary Secretary, Treasury

The Rt Hon Joel Barnett MP Chief Secretary, Treasury (Items 3 and 4)

SECRETARIAT

Sir John Hunt
Mr G R Denman (Items 1 and 2)
Mr T F Brenchley (Item 2)
Mr D le B Jones (Items 3 and 4)
Mr J A Marshall (Items 3 and 4)
Mr A D Gordon-Brown (Item 1)

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The Cabinet -

1. Took note of the statement by the Foreign and Commonwealth Secretary.

Meeting
of the
European
Council
12-13 July

Previous
Reference:
CM(76) 14th
Coaclusions,
Minute 2

THE PRIME MINISTER said that he had little to add to the statement which he had made in the House of Commons the previous day on the meeting of the European Council in Brussels on 12-13 July. What had struck him most about the atmosphere of the meeting was the marked helpfulness shown by President Giscard d'Estaing. On every issue he had either avoided a difference of opinion with the Prime Minister or had given him his support. This had been of particular help in the settlement of the direct elections issue. The final compromise had emerged from discussion between the Prime Minister, President Giscard and Herr Schmidt and was based on a proposal of President Giscard. Few of the Heads of Government seemed to have given adequate consideration to the administrative and legislative difficulties which preparations for direct elections would entail and both Herr Schmidt and President Giscard, particularly the latter, foresaw difficulties on this front as did the Danes. The fact that our share of the seats had been increased to 81 would give us some more elbow-room for the allocation of seats to the constituent parts of the United Kingdom, but the reports which had appeared in the Press of a distribution of seats within the United Kingdom were speculation and not the result of official briefing. Despite an attempt by the Irish Prime Minister to raise the question of Northern Ireland the distribution of seats within national totals had not been discussed between Heads of Government.

The Cabinet -

2. Took note.

DENDITURE

CM(76) 13th

3. The Cabinet considered public empenditure. Their discussion and the conclusions reached are recorded separately.