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CM (72)
46th Conclusions

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CABINET

*CONCLUSIONS of a Meeting of the Cabinet held at
10 Downing Street, S.W.1, on Wednesday, 25 October, 1972
at 11.30 a.m.*

Present:

The Right Hon. EDWARD HEATH, M P, Prime Minister

The Right Hon. SIR ALEC DOUGLAS-HOME, M P, Secretary of State for Foreign and Commonwealth Affairs <i>(Items 1 and 2)</i>	The Right Hon. LORD HAILSHAM OF ST. MARYLEBONE, Lord Chancellor
The Right Hon. ANTHONY BARBER, M P, Chancellor of the Exchequer	The Right Hon. WILLIAM WHITELAW, M P, Secretary of State for Northern Ireland
The Right Hon. LORD CARRINGTON, Secretary of State for Defence <i>(Items 1-4)</i>	The Right Hon. ROBERT CARR, M P, Secretary of State for the Home Department and Lord President of the Council
The Right Hon. SIR KEITH JOSEPH, M P, Secretary of State for Social Services	The Right Hon. GEOFFREY RIPPON, Q C, M P, Chancellor of the Duchy of Lancaster
The Right Hon. MARGARET THATCHER, M P, Secretary of State for Education and Science	The Right Hon. GORDON CAMPBELL, M P, Secretary of State for Scotland
The Right Hon. THE EARL JELlicoe, Lord Privy Seal <i>(Items 1-4)</i>	The Right Hon. PETER WALKER, M P, Secretary of State for the Environment
The Right Hon. PETER THOMAS, Q C, M P, Secretary of State for Wales	The Right Hon. JAMES PRIOR, M P, Minister of Agriculture, Fisheries and Food
The Right Hon. JOHN DAVIES, M P, Secretary of State for Trade and Industry	The Right Hon. MAURICE MACMILLAN, M P, Secretary of State for Employment

The following were also present:

The Right Hon. FRANCIS PYM, M P, Parliamentary Secretary, Treasury	The Right Hon. SIR PETER RAWLINSON, Q C, M P, Attorney-General <i>(Items 4-6)</i>
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Secretariat:

- The Right Hon. SIR BURKE TREND
- Mr. J. J. B. HUNT
- Mr. H. F. T. Smith
- Mr. K. T. BARNETT
- Mr. J. ANSON
- Mr. I. T. LAWMAN

CONTENTS

<i>Item</i>	<i>Subject</i>	<i>Page</i>
1	OVERSEA AFFAIRS ... Icelandic Fisheries Dispute Vietnam	3
2	EUROPEAN SUMMIT MEETING ...	3
3	THE QUEEN'S SPEECH ON THE OPENING OF PARLIAMENT ...	5
4	NORTHERN IRELAND ...	5
5	INDUSTRIAL AFFAIRS ... Meetings with the Confederation of British Industry and the Trades Union Congress Pay Negotiations in the Electricity Supply Industry	5
6	HOUSING FINANCE ACT ...	8

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Oversea Affairs

Icelandic
Fisheries
Dispute
Previous
Reference:
CM (72) 45th
Conclusions,
Minute 2

1. *The Foreign and Commonwealth Secretary* said that the Prime Minister had sent the Icelandic Prime Minister a message suggesting that negotiations about the current fisheries dispute should be resumed. The Icelandic Government, however, were seeking to insist that any further discussions must include consideration of some limitation on the sizes and types of our trawlers. The industry would probably be willing to give some private assurances, in general terms, about the nature of the fishing fleet in the foreseeable future; but we could not accept any formal or public commitment in this respect, especially as regards the use of freezer vessels, since, although we did not use vessels of this kind in the fishing grounds off Iceland, we must try to avoid creating a precedent which could have consequences in other parts of the world. If it proved impossible to resume negotiations, naval frigates would probably have to be sent into the 50 mile zone; and the practice of fishing in "havens" would have to be adopted, with damaging consequences for the size of the British catch.

Vietnam

The Foreign and Commonwealth Secretary said that little detailed information was so far available about the most recent negotiations conducted in Hanoi and Saigon by Dr. Kissinger, the chief adviser on national security to the President of the United States, President Nixon. The discussions in Hanoi seemed to have made some progress; but the President of South Viet-Nam was apparently seeking to insist that a cease-fire should depend upon certain conditions which the North Viet-Nameese Government would find it difficult to accept. In particular he was trying to secure an undertaking that a cease-fire would be accompanied by the withdrawal of all North Vietnamese forces from South Vietnam. It now seemed doubtful, therefore, whether a cease-fire would be achieved before the Presidential Election in the United States; but President Nixon had probably demonstrated his desire for an honourable peace sufficiently clearly to ensure that the Vietnamese war would not constitute a major obstacle in his electoral campaign.

The Cabinet—

Took note of the statements by the Foreign and Commonwealth Secretary.

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European
Summit
Meeting

2. *The Prime Minister* said that the Communiqué issued at the end of the Summit Meeting of the enlarged European Community in the previous week showed substantial progress in most fields and was a remarkable achievement for a two-day Conference even though the ground had been carefully prepared by Foreign Ministers and officials in advance. From the United Kingdom's point of view we could be well content with the results. As long ago as May we had defined our Summit aims as a balanced approach to economic and monetary union; a date for the introduction of a regional policy which would take account of the needs of the

enlarged Community; progress on industrial policy and the removal of non-tariff barriers; a Community energy policy; a common and positive approach to the next multilateral trade negotiations; progress on political co-operation; and action in the context of aid policy to alleviate the indebtedness of the hardest pressed countries. We had substantially secured all these objectives except the last. The German Government had been unwilling to accept any new commitment on aid for the time being; and the French Government would not agree to any waiver of debt service. The agreed formula, however, left it open to us to raise this matter afresh at a later date. The level of discussion at the Conference had been high, except for a prolonged and largely irrelevant argument about direct elections to the European Assembly, which the Dutch Government had instigated for internal political reasons. There had been general regret at the absence of the Norwegian Government, for whom it was accepted that some special arrangement must be found, even though it could not comprise the advantages of full membership of the Community.

In addition he had also had separate and detailed discussions with the President of France, M. Pompidou, and the Chancellor of the Federal German Republic, Herr Brandt. He had explained our policy as regards economic and monetary union to the French President; and the latter had not raised difficulties about the timing of our return to a fixed parity. He had also taken the opportunity to emphasise to M. Pompidou our view that discussion of the projected Mediterranean Agreements should not be conducted in a way which would unduly alarm the United States Government.

The discussions about the enlargement of the Community, the negotiations in connection with the European Free Trade Area non-candidate members and, more recently, the extensive preparations for the Summit Meeting had so preoccupied the Community for the past year as effectively to prevent decisions on future developments in advance of our accession. We now had an opportunity to play a leading role in these developments. The agreements reached at the Summit Meeting, however, were necessarily expressed in terms of major objectives of policy; and much hard work would now be required in order to secure their detailed implementation. The Ministers concerned should therefore satisfy themselves that their Departmental organisations were adequate to this new and additional function and that the staffs involved were equipped with the qualities of temperament and judgment which would be needed in the subsequent negotiations.

The Cabinet—

Took note, with approval, of the statement by the Prime Minister.