Secretary: I. C. Thorburn



Your Ref.:

AL/JB/70

## BRITISH FISHING FEDERATION LIMITED

Begistered Office

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7 March 1980

The Rt. Hon. Margaret Thatcher, MP, Prime Minister, 10 Downing Street,

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(New Prime Ministre,

The British Fishing Industry is in a virtually unprecedented critical condition. Within the past five years, the trawling fleet has been forced to contract by more than two-thirds: from over 450 to less than 150 vessels. Hull, not so long ago Europe's biggest fishing port, has virtually ceased to exist; Fleetwood has been teetering on the brink of closure for some little time; Aberdeen may shortly be in the same position with Grimsby, Lowestoft and Milford Haven on its heels. These are the major trawling ports which, with North Shields, are represented by this Federation. The numerous inshore fishing ports scattered around the coasts of the UK are being pushed by growing difficulties into positions which may soon erupt into extreme actions.

All this has resulted from factors over which the Industry has no control and through no fault of its own. Without early and interim financial aid until the problem of the Common Fisheries Policy (CFP) is settled, the Industry generally is in danger of widespread collapse. The Fishing Industry has never lacked that enterprise, individual initiative and resilience on which competitive efficiency so heavily depends. It has for long endured an imbalance in the terms of competition from the heavy subsidisation of foreign fishing competitors as well as of producers of competing agricultural foodstuffs. But the imbalance has grown to unbearable levels,

It is not merely that the subsidisation of foreign fleets both within and without EEC - has increased in recent years;
there has been also a growing disparity in the catch restraints
to which fishing vessels are subject in fact. Britain has maintained a responsible attitude towards conservation and has
compelled her fishing fleets to act accordingly. In general,
other countries have not, so that the earnings of our competitors
have been boosted by the resultant relative enlargement of their
catches as well as by direct and indirect subsidies. Our
earnings, on the other hand, have been depressed by catch restrictions and, with increasing force in recent months, by the burgeoning imports of fish that has often been irrespondibly if not
illegally caught.

Before the last Election, we were relieved to have your assurance that you would not agree to any revision of the CFP which, among other things, did not retain for the British industry a high proportion of the UK's potentially abundant marine resources on which a proportionately large and thriving industry could be securely based. We continue to rely on that assurance. But, without the maintenance of a balanced fleet with an adequate catching capacity and adequate shore-side facilities, the rich marine harvest could not be reaped by Britain.

To allow the accelerating rate of deterioration of the Industry to continue would mean a wasteful loss of jobs both ashore and afloat in areas where unemployment generally is already above average. It would mean also an increase in the import bill to a much greater proportionate extent than the fall in British catches; greater dependence on imports would both drive up import prices and lead to a much greater proportion of imports in a processed (more value-added) form. Moreover, it would mean a loss of that part of the UK's negotiating capital which is represented by the relative size of its fishing fleet.

Above all, it would involve a further substantial donation to the rest of the Community. The marine resources within UK jurisdiction, when properly restored to health, are capable of yielding an annual harvest worth about £700m in terms of current quayside prices. To settle for the kind of figure which the EEC has been proposing would mean giving to the rest of the Community nearly £500m a year in perpetuity.

We know that you and your colleagues will not let this happen or allow to continue the massive donation to which they are now helping themselves as a result of the licence which other Member States have taken to help themselves to fish from our waters in largely unrestricted amounts totalling, perhaps, £300m a year.

We would very much welcome an early opportunity of discussing our problems with you on an Industry basis (that is to say with representatives of the other principal catching organisations as well as of this Federation). It is our intention to hold a major Press Conference in the near future to publicise the dangers facing us. We would prefer to defer this until shortly after we had had a meeting with you.

We anxiously await a reply.

I am copying this letter to Mr. Peter Walker and Mr. George Younger.

Your sinusty and along

AUSTEN LAING Director-General