

CONFIDENTIAL

PRIME MINISTER

Community Affairs

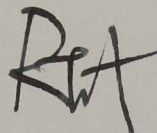
Last week's Cabinet noted that the 12-13 June European Council would be devoted mainly to Middle East problems and preparations for the Economic Summit on 22-23 June. Unless you want to add anything in the light of your briefing meeting on Monday - for instance, that there may now be some discussion of the recent observations by President Giscard and Chancellor Schmidt about the desirability of delaying the accession of Spain and Portugal - further discussion would not seem necessary at this stage.

2. The Chancellor of the Exchequer might be invited to report on the outcome of the 9 June Finance Council, at which the budget settlement reached at the 29-30 May Foreign Affairs Council was formally adopted. The Council also agreed that, while the Community should consider what contribution it could make to the problem of recycling OPEC surpluses, the main role must continue to be played by the IMF and the IBRD. Finance Ministers were invited to report accordingly to Heads of Government before the Venice European Council, but it was not expected that any discussion of this point would take place there.

3. The Secretary of State for Employment might be invited to report on the 9 June Labour and Social Affairs Council, which agreed a resolution on labour market guidelines. The European Council will be invited to take note. A framework Directive on Health and Safety at Work was also adopted.

4. OD(E) will have met on 10 June to consider a paper by the Foreign and Commonwealth Secretary on Public Attitudes to Europe. The Foreign and Commonwealth Secretary might wish to report the Sub-Committee's conclusions to the Cabinet.

5. Next week, there will be a Fisheries Council on 16 June, an Agriculture Council on 16-17 June and probably a Budget Council on 17 June.



(Robert Armstrong)

10th June 1980

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