

# Conservative Research Department

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Director: ALAN HOWARTH

EB/CDB

1st July, 1980

Michael Alexander, Esq.,  
Private Secretary to the Prime Minister,  
10 Downing Street,  
London SW1

*Dear Mr Alexander,*

Further to our telephone conversation yesterday, after discussion with Mr. Scott-Hopkins, the topics which I believe are most likely to arise in the Prime Minister's meeting with the European Democratic Group are:-

- i) Energy - with particular reference to the initiation of a common policy. *see FCO brief 3*
- ii) Regional Policy - with particular reference to the problems caused in getting Community finance after the Government's rationalisation of regional development areas. Also smoothing the channels for local authorities to make direct contact with the Community Institutions.
- iii) Article 235 expenditure - the programmes and areas to which the expenditure will be directed. *see FCO brief 13.*
- iv) Overseas Aid. *see FCO brief 12*
- v) The EEC Middle East initiative. *See FCO brief 2*
- vi) The Community Budget - restructuring and the future of "own resources". *See FCO brief 5*
- vii) The role of Conservative MEPs in the Government's European strategy.
- viii) The presentation of the Community to British public opinion.
- ix) European Arms Procurement Policy. *See FCO brief 4*
- x) A Community Role in Industrial Policy - the last two are, of course, linked. The Group has recently set up a working party under the Chairmanship of Sir David Nicolson on industrial policy.

Obviously not all these topics could be covered, but they seem the most likely ones to me. They will be seeing Lord

.../Carrington

Carrington earlier in the afternoon so a number of the topics may be covered there. By way of extra briefing on items (i) and (x) I enclose a brief statement of the aims and objectives of the E.D.G. Members on the European Parliament's Energy Committee, and the first draft of a paper to be considered by their Industry Working Party on the evolution of a Common Industrial Policy. It should be emphasised that neither of these documents have been approved by the Group as a whole and are working documents.

I also enclose a list of the Group's spokesmen, all of whom should be present other than David Curry, the Agriculture Spokesman, a list of the M.E.P.s and their brief biographies, a note on areas where the Group feel they have made achievements in the Parliament and points of concern to the Group of a political rather than policy nature.

I hope these are of some help, please let me know if you would like material on any other topics.

*yours sincerely,*

*Edward Bickham*

Edward Bickham  
European Communities Officer

Encs.

1st July, 1980

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Potential points of concern to some Members of the European Democratic Group

1. Many of them feel that the Government could make better use of their special position within the European Parliament (as practically a national Group), to use the Parliament as a sounding board for possible future Government European initiatives. They would appreciate any role that could be designed for them to assist in the formulation of Conservative policy in specific policy areas with a European dimension.
2. The state of British public opinion in relation to the European Community. They fear that unless the present slide in the Community's popularity is arrested the issue of Britain's continued membership could become an important issue in the next General Election.
3. They have recovered from their attack of hurt pride following the Report of the Commons Services Committee, and relations are somewhat improved with many of the backbench MPs. A number of the EDG members now regularly attend the Backbench Committees.
4. They are very concerned at having to continue to work in three centres, which they see as an impediment to their efficient functioning.
5. There is a certain amount of disquiet about the exact role of the Group, particularly in relation to the Government. They obviously wish to further British Government policies as much as possible, but I suspect this readiness may be undermined over a period unless they feel they have some form of input into the Government's development of European policy. They are still trying to find their feet over the degree of divergence in policy matters which is realistically possible or desirable between the Group's positions in the European Parliament (where they have occasionally to compromise to gain agreement with the other centre-right groups) and stances adopted by the Conservative Government.

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*Director:* ALAN HOWARTH

## MAJOR POINTS FROM THE EUROPEAN DEMOCRATIC GROUP'S FIRST YEAR

### 1. Rejection of the 1980 budget

Many of the points put forward by the Parliament, and particularly the E.D.G. members, in rejecting the 1980 Draft Budget coincided with the views of the British Government over the imbalance of expenditure within the Community. They attempted not only to increase non-agricultural spending but also tried to reduce the proportion of the Community Budget spent on agriculture. They would argue that the absence of a Budget for 1980 increased the pressure on farm spending and thus was a helpful factor in bringing about a solution to the British budgetary problem. Members who were particularly involved with the Budget were John M. Taylor, Robert Jackson, Eric Forth, Lord O'Hagan, Brian Hord and Fred Tuckman.

### 2. Foreign Affairs

The European Democratic Group in concert with the Christian Democrats and Liberals have played a leading part in producing firm European Parliament stances on Afghanistan, an Olympics Boycott, the exiling of Sakharov, and in April despite resistance from the Socialist and Communist groups, urged Foreign Ministers of the Nine to "take all necessary and practicable steps acting in full consultation with the United States ..... to oblige the Iranian authorities to release the hostages."

Members particularly active in this field have included: Lady Elles, Adam Fergusson, Lord Bethell and Brian Hord.

### 3. Budgetary Control and Scrutiny

The E.D.G. members have been prominent on the Budgetary Control Committee of the Parliament and through their greater use of question time to the Commission and to the Council having increased the amount of scrutiny to which many of the Community's policy proposals are subjected. Those particularly active on budgetary control matters have been: Peter Price, Robert Battersby and Edward Kellett-Bowman.

### 4. Agricultural Matters

The E.D.G. have been staunch in their opposition to the sales of subsidised butter to Russia, to the extent of making themselves unpopular on this issue with other political groups in the Parliament.

They have fought particularly hard for a sensible common fisheries policy that will protect the interests of British fishermen. In addition to their opposition to any price rises for agricultural products in surplus, they have tried to promote a sensible level of support for sheep farmers through the "sheepmeat regime."

Sir Henry Plumb is the Chairman of the Agricultural Committee, others particularly active have included David Curry, James Provan, Paul Howell and Robert Battersby (Chairman of the Fisheries Sub-Committee).

### 5. Security

The Group have been active in promoting discussion of security matters within the European Parliament (despite French opposition) and particularly on the evolution of a common European armaments procurement policy. Among the many active on these issues have been Sir Peter Vanneck and Adam Fergusson.

6. Energy

The Conservative MEPs have been active in producing reports on methods of improving energy saving, reducing European dependence on oil imports, methods of promoting development of nuclear energy and the safety of the plutonium cycle. Their energy objectives for the future include advocating the use of energy revenues on a Community basis to further investment in energy conservation and substitution; encouraging the development of Community-wide electricity and gas grids; and developing co-operation on energy policies between the Governments of Member States especially in international organisations. Those who have been prominent in this area have included: Madron Seligman, Robert Moreland and John Purvis.

7. Transport

The European Parliament Transport Committee have been involved in discussing the impact of heavy lorries, the high level of European airfares, and improvement of transport infrastructure within the Community. The EDG members particularly concerned in this area are Shelagh Roberts, James Moorhouse, Lord Harmar-Nicholls and Richard Cottrell.

8. Legal Affairs

The Conservative MEPs have been extremely active in making sensible amendments to the Fifth Company Law directive on employee participation and company structure. This originally required the compulsory institution of two-tier boards for companies with more than 500 employees throughout the EEC. When the report reaches the Parliament's plenary session a wide range of options for employee participation and consultation will have been inserted in the directive. They have also been involved in trying to weaken the proposals within the draft directive on product liability which seek to impose strict liability on manufacturers.

Members who have been particularly active on this committee include:

Christopher Prout, Alan Tyrell, Amedee Turner and Ian Dalziel.

9. External Economic Relations

Under the Chairmanship of Sir Fred Catherwood, the Committee have been trying to increase the scrutiny to which Community trade agreements are subjected and are producing an own initiative report on dumping.

EDG members involved here include: Sir Jack Stewart-Clark, Michael Welsh and Edward Kellett-Bowman.

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