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10 DOWNING STREET

*Subject file*  
*Enn PA-CAL- Pt 6*

THE PRIME MINISTER

25 July 1980

PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. TISA/80

Dear Rob

Thank you very much for your message bringing me up-to-date on the outcome of your talks with Commissioner Gundelach. I must say I greatly admire what you have already been able to secure for New Zealand. The language on export restitutions is explicit and particularly helpful. You have managed to achieve something quite unprecedented in negotiations with the Community on agricultural trade.

No doubt you will have heard that at the Agriculture Council on 22 July France and Ireland opposed the package which the Commission were prepared to recommend.

There will be further discussion in the Special Committee for Agriculture, possibly next week. We shall, of course, continue to take the line which Peter Walker took at the Council, arguing that your demand for an 8% tariff is reasonable and that in no circumstances would an agreement be acceptable to the UK unless it was acceptable to New Zealand. But at the

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Council we had no support whatever for a reduction below 10%. The Commission will doubtless put their package, including a 10% tariff, to you again if the French and Irish can finally be persuaded to drop their objections. I do hope we can all secure a satisfactory agreement soon.

SIGNED

MT

The Rt. Hon. R.D. Muldoon, C.H., M.P.