

SECRET

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CM(76) 1st
Conclusions

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CABINET

CONCLUSIONS of a Meeting of the Cabinet
held at 10 Downing Street on

TUESDAY 13 APRIL 1976

at 11.00 am

PRESENT

The Rt Hon James Callaghan MP
Prime Minister

The Rt Hon Michael Foot MP
Lord President of the Council

The Rt Hon Lord Elwyn-Jones
Lord Chancellor

The Rt Hon Roy Jenkins MP
Secretary of State for the Home Department

The Rt Hon Denis Healey MP
Chancellor of the Exchequer

The Rt Hon Anthony Crosland MP
Secretary of State for Foreign and
Commonwealth Affairs

The Rt Hon Shirley Williams MP
Secretary of State for Prices and
Consumer Protection and
Paymaster General

The Rt Hon Anthony Wedgwood Benn MP
Secretary of State for Energy

The Rt Hon Eric Varley MP
Secretary of State for Industry

The Rt Hon Peter Shore MP
Secretary of State for the Environment

The Rt Hon Roy Mason MP
Secretary of State for Defence

The Rt Hon Bruce Millan MP
Secretary of State for Scotland

The Rt Hon John Morris QC MP
Secretary of State for Wales

The Rt Hon Fred Peart MP
Minister of Agriculture, Fisheries
and Food

The Rt Hon Albert Booth MP
Secretary of State for Employment

The Rt Hon Edmund Dell MP
Secretary of State for Trade

The Rt Hon David Ennals MP
Secretary of State for Social Services

The Rt Hon Harold Lever MP
Chancellor of the Duchy of Lancaster

The Rt Hon Lord Shepherd
Lord Privy Seal

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The Rt Hon Fred Mulley MP
Secretary of State for Education and Science

The Rt Hon Reginald Prentice MP
Minister for Overseas Development

ALSO PRESENT

Mr Michael Cocks MP
Parliamentary Secretary, Treasury

SECRETARIAT

Sir John Hunt
Mr T F Brenchley (Items 3 and 4)
Mr W I McIndoe (Items 1 and 2)
Mr A K H Atkinson

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FOREIGN
AFFAIRS

European
Council

3. THE PRIME MINISTER, reporting on the meeting of the European Council in Luxembourg on 1 and 2 April, said that no major decisions were taken, and none should have been expected. The Council should provide an opportunity for informal and private discussions between Heads of Government on broad political developments, and any attempt to reach formal decisions on specific issues should be resisted. Against this background the sour note in the Press, which was based on unrealistic expectations, was unjustified. We had achieved our main objective of ensuring that the Community should consider what could be done about unemployment despite the Federal German Chancellor's reluctance in an election year to support proposals which might require German financial contributions. Work would proceed in preparation for the Tripartite Conference in June or July and for the July meeting of the European Council. By contrast, the French objective of securing a lofty declaration on economic and monetary union had run into the sand.

On direct elections President Giscard had, for tactical reasons, abandoned the French argument for the allocation of seats in proportion to national populations and had instead proposed continuing with the existing numbers of seats allocated to member states. This approach had proved unacceptable to countries with numerous minority parties and Italy had taken the lead in rejecting it. The matter would now be considered further by Foreign Ministers and we would continue to press for greater proportionality in the allocation of seats. It was still the aim to hold direct elections in 1978 though others were now also coming to realise the practical problems involved. It had however been agreed that the election period would run from Thursday to Sunday: and that the Assembly would continue to be officially so described but could be referred to informally as a Parliament. The Government's suggestion of a Select Committee had been well received in the House of Commons: and Cabinet approval for the necessary arrangements would be sought after Easter.

The Tindemans Report had been the subject of a lengthy but inconclusive discussion. The Council had agreed to a very useful declaration in support of our position on Rhodesia; and had also adopted a useful declaration on the Lome Convention. We had stressed the importance of a revision of the Common Fisheries Policy and of the implementation of the Dublin statement on imports of New Zealand butter. Useful informal discussions had also taken place on Southern Africa, detente and defence, the Lebanon, Spain and Portugal.

The Cabinet -

1. Took note of the statement by the Prime Minister.