Subject filed on Earolol: Bridget T/49/8 Courtesy Translation Helmut Schmidt, Chancellor of the From: Federal Republic of Germany To The Rt. Hon. Margaret Thatcher, MP Her Majesty's Prime Minister and First Lord of the Treasury MINISTER'S PERSONAL MESSAGE Dear Prime Minister, 3 PRIAL No. 1149/82 In your message of 2 July 1982 you explained to me what you expect of a special action by the European Community in favour of housing in Northern Ireland. I admit that the particularly difficult situation of the population of Northern Ireland would make an act of Community solidarity seem desirable. Nevertheless I cannot agree, because of considerations of principle, to the promotion of housing out of Community funds. Remarks made by several member states have made it plain that through this measure they seek an entry into a housing policy of the Community, a policy which we have to reject, not least because of the unpredictable financial consequences for the EC budget. Out of the desire to give the whole population of Northern Ireland nevertheless the feeling that we stand in solidarity by their side, I should like to suggest in spite of the difficulties which you described to develop, in conjunction with the President of the Council and the Commission, new ideas for a suitable special action which fits into the framework of the existing Community policies. I assure you that the Government of the Federal Republic of Germany will examine such a proposal with sympathy and an open mind. With kind regards, Yours ever sgd. Helmut Schmidt