

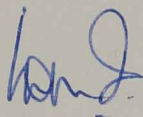
CONFIDENTIAL

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PRIME MINISTER

Cabinet 5 June: Community Affairs

1. Following the full Cabinet discussion on the Community Budget on 2 June the only immediately outstanding question is the decision of the German Cabinet, on which the Foreign and Commonwealth Secretary might be invited to report. Work is now in hand to get the budget settlement implemented as soon and as effectively as possible. Two new regulations have to be adopted. We shall aim to get some financial relief before the end of this calendar year and under the agreement we get the remainder before the end of our financial year. The Chancellor of the Exchequer is circulating a note to colleagues explaining the procedures and how to deal with the question of "additionality".
2. Before next week's Cabinet there will be a Finance Council and a Labour/Social Affairs Council on 9 June, and an informal meeting of Industry Ministers on 10/11 June, but none of them call for discussion now. Your briefing meeting for the Venice European Council on 12/13 June will take place next Monday.



M D M FRANKLIN

4 June 1980