



Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

From the Minister's
Private Office

N Sanders Esq
Prime Minister's Office
10 Downing Street
London SW1

✓ MS PA

24 July 1980

Dear Nick,

COUNCIL OF MINISTERS (AGRICULTURE AND FISHERIES):
21-22 JULY 1980

--- I attach a copy of the statement which Mr Walker intends to make to the House today.

I am copying this letter to Ingham; Stevens (Leader of the House's Office); Maclean (Whip's Office, Commons) Pownall (Whip's Office, Lords); Wright (Cabinet Office) and to private secretaries of the other Agricultural Ministers and members of the OD(E).

Yours sincerely

G R Waters

G R Waters
Principal Private Secretary

STATEMENT

FISHERIES COUNCIL 21 JULY 1980 AND AGRICULTURE COUNCIL
22 JULY 1980

With permission, Mr Speaker, I wish to make a statement about the Council of Fisheries Ministers in Luxembourg on 21 July, at which I represented the United Kingdom, together with my Rt Hon Friend the Secretary of State for Scotland and my Hon Friend the Minister of State.

I would also like to report on the Council of Agriculture Ministers meeting on 22 July at which I and my Hon Friend the Minister of State represented the United Kingdom.

The Fisheries Council had a useful discussion of the principles for determining 1980 quota allocations between Member States. The Commission had prepared a schedule of quota allocations. The Commission made clear that these were not their proposals on quotas but were simply a schedule to indicate the effects of using a range of calculating methods which they had been considering. I questioned these methods and I stressed the need for a fair distribution of catches to take into account the size of the resources found within our fisheries limits and the full extent of United Kingdom losses of fishing opportunities in third country waters. I urged the Commission to put forward proposals fully reflecting these factors and it was agreed that the Council would undertake detailed discussion of quota proposals to be presented by the Commission at the October meeting.

The Council also considered a Commission communication on access arrangements, where I made clear the Government's requirement for an adequate zone of exclusive access and for preferential arrangements beyond. These demands were supported by certain other Member States.

New proposals on structural measures were tabled at the Council but not discussed in substance, and there was a general exchange of views on the revised Commission proposals for a conservation regime. The Council agreed to have a detailed examination of all outstanding problems connected with the conservation proposal at its next meeting on 29 September.

A further Council was planned for October which will allow time for preparatory discussions to be completed on quotas, access and the structural proposals.

At the Agriculture Council there was a short discussion upon the various programmes for structural aid. It was agreed that decisions on these proposals, including those for Northern Ireland and Scotland, would be taken at the October meeting of the Council.

Mr Gundelach reported to the Council on his successful negotiations with New Zealand on arrangements for the future import of New Zealand lamb into the Community. There

had been total agreement between the Commission and the New Zealand Government other than on the issue as to whether the existing tariff of 20% should be reduced to 10% or to 8%.

The Commission emphasised that the agreement reached was a satisfactory and fair one. Only the French Government raised major reservations. They opposed any reduction in the tariff below 15% and questioned other elements in the agreement. The British Government expressed the view that a reduction of the tariff to 8% was a reasonable request on the part of the New Zealand Government and we made clear our position that we would only support an agreement that was satisfactory to the New Zealand Government.

We were supported vigorously both by the Commission and by many other nations in our demand that agreement should be swiftly reached and that it was essential that the sheepmeat regime came in at the earliest possible date. On the recommendation of the Commission and the Presidency, the Council agreed that all the internal and external aspects of the regime should be decided at its next meeting in September in order to permit its entry into force on 1 October 1980. The Commission expressed their confidence that they would reach the necessary agreement with third country suppliers in time for the Council to finalise arrangements at the next meeting.

On access for New Zealand butter, Mr Gundelach reported that New Zealand was prepared, under a gentleman's agreement, to reduce sendings to the UK by 20,000 tonnes in 1980, in return for an increase in her net selling price to 75% of the intervention price. Other members of the Council were prepared to accept this agreement, even though they thought the terms over generous to New Zealand. Since it was clear that the Council would not agree to better terms, and in the knowledge that they were acceptable to New Zealand, I agreed to them in advance of the debate tomorrow.

Following a request I made at the last Council meeting on the difficulties of the glasshouse sector, the Commission reported that they were initiating discussions with the Dutch Government under Article 93(1) of the Treaty on the preferential rate charged for natural gas in the Netherlands. I was supported by other countries in demanding that these talks should take place speedily and the Commission assured the Council of their recognition of the urgency of the problem.

As a result of pressure from the United Kingdom for action against cheap offers from Poland, the Council agreed to a Commission proposal to introduce surveillance arrangements for strawberry pulp and frozen strawberries, thus equipping

the Council with the ability to take quick action to deal with cheap imports which threatened the interests of our soft fruit producers.

The Council endorsed the Commission's intention to produce a report and proposals on this subject and agreed that the report should be discussed speedily after it had been received. The Council agreed to a suggestion made by the UK that research made on alternative methods of commercial egg production should be co-ordinated throughout the Community.