HIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

Conclusion

COPY NO

74

#### CABINET

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

THURSDAY 25 OCTOBER 1984

at 10.30 am

#### PRESENT

The At the Margaret Thatcher MP Prime Minister

The Rt Hon Viscount Whitelaw President of the Council

The Rt Hon Sir Geoffrey Howe QC MP Commonwealth Affairs

The Rt Hon Nigel Lawson MP Chancellor of the Exchequer

The Rt Hon Peter Walker MP
Secretary of State for Energy

The Rt Hon Nicholas Edwards MP
Secretary of State for Wales

The Rt Hon John Biffen MP

The Rt Hon Tom King MP
Secretary of State for Employment

The Rt Hon Peter Rees QC MP Secretary, Treasury

The Rt Hon Douglas Hurd MP
Secretary of State for Northern Ireland

The Rt Hon Lord Hailsham of St Marylebone Lord Chancellor

The Rt Hon Leon Brittan QC MP Secretary of State for the Home Department

The Hen Sir Keith Joseph MP Secretary of State for Education and Science

The Rt Hor George Younger MP Secretary State for Scotland

The Rt Hon Katrick Jenkin MP Secretary of State for the Environment

The Rt Hon Norman Fowler MP Secretary of State for Social Services

The Rt Hon Michael Joy in MP Minister of Agriculture Fisheries and Food

The Rt Hon Nicholas Ridlet Secretary of State for Transpor

The Rt Hon Earl of Gowrie Chancellor of the Duchy of Lancaste

The Rt Hon Lord Young of Graffham Minister without Portfolio

i

#### THE FOLLOWING WERE ALSO PRESENT

ttorney Gameran (Item 4)

Mr John Gummer MP Paymaster General

Morman Lamon Minister of State: Department of Trade and

Mr John Cope MP Treasurer of the Household

#### SECRETARIAT

Sir Robert Armstrong

Mr P L Gregson (Item 4)

Mr D F Williamson (Items 2 and 3)

Mr B G Cartledge (Items 2 and 3)

Mr M S Buckley (Item 4)

Mr C J S Brearley (Item 1)

#### ONTENTS

Subject

Page

1

PARLIAMENTARY AFFAIRS

Police and Criminal Evidence

1

FOREIGN AFFAIRS

Item

2.

3.

4.

State Visit of the President of the French Republic: Discovery of

Explosives

2

2

South Africa

- 1

Ethiopia

3

COMMUNITY AFFAIRS

Enlargement of the Community

5

Lome Convention

5

Community Budget

5

Agriculture

5

INDUSTRIAL AFFAIRS

IRS

Coal Industry Dispute

6

ii

CONFIDENTIAL

PARITYALARY

1. The Cabinet were informed of the business to be taken in the House of Commons during the following week. Parliament would be prorogued on Wednesday 31 October and the new Session would be opened by The Queen on Tuesday 6 November.

Police and Criminal Evidence

HOME SECRETARY said that during the Police and Criminal Evidence Bill's passage through the House of Lords three amendments had been carried against the Government. Their effect was to restrict the power to stop and search to policemen in uniform, to disqualify evidence from confessions obtained improperly, and to make racial discrimination a specific disciplinary offence. The last two had been moved by ford Scarman. It was essential to reverse the first of these amendments and to substitute a Government amendment for the second during the remaining stages of the Bill in the House of Commons. On the third, the amendment had been opposed by the Government solely on the grounds that it was not necessary as racial discrimination was already a discriminary matter in the police. Because of this and the importance of recurring changes on the first two points, he and the other Ministers principally concerned had concluded that there should be no attempt reverse or alter this amendment. Such a course would be to some event controversial with the Government's supporters in Parliament by was likely, in the context of the achievements of the Bill as a whole to be acceptable to the associations representing the police.

THE LORD PRESIDENT OF THE COUNCIL said that it had require great effort to secure as satisfactors in outcome in the House of Lords as had so far been achieved. The Law Lords, the Bishops and cross-bench peers as well as the political parties all held strong views. Every effort would be made when the Bill returned to the House of Lords the following week to secure their agreement on the first two amendments but to try to secure reversal of the third amendment was unlikely to be successful and could well be counter-productive. He therefore supported the course of action proposed by the Home Secretary.

THE PRIME MINISTER, summing up a brief discussion, said that the decision not to seek to reverse or amend the third emendment, as well as the other two, would be controversial; there would inevitably be considerable concern that the effect of the amendment would be to make the task of the police very much more difficult in certain areas.

The Cabinet -

Took note.

MOREIGNA FRAIRS

State
Misit
of the
Mesident
Mes

THE FOREIGN AND COMMONWEALTH SECRETARY said that during a police search of the grounds of the French Ambassador's residence on Tuesday October, in preparation for the State Visit by the President of the tench Republic, President Mitterrand, two small containers of high osive had been discovered. It had emerged that these were placed by a French security officer who was in London in connection with messident's visit, apparently to test the efficacy of British security messites. The officer had been interviewed by police at the Grosvenor House Hotel where he was staying. He had been found to have more explosives with him there, and these had been retained by the police. officer had been further questioned at West End Central Police Station and later retered. The police had subsequently decided not to bring any charges against him. It appeared that he had avoided airport security checks when travelling from Paris by revealing his status as a security officer. Members of Parliament and others had expressed grave concern over what had happened. So far the French Government had made no official Statement. He had spoken to the French Minister for European Affairs, Monsieur Dumas, about the French reaction to the incident, urging the issue of a suitable statement, and exchanges were continuing.

In discussion it was appeal that the episode was inexplicable and unacceptable. It was important to establish urgently that no similar events had occurred or were likely to occur during President Mitterrand's visit. In particular assurances should be sought regarding security at Buckingham Palace. The polite ware naturally extremely annoyed at what had occurred. The matter would hevitably be raised in Parliament at Prime Minister's Questions or in other ways. The failure of the French Government to explain, let alone appropriate for, what had occurred was astonishing, and made it difficult for the British Government to comment without appearing critical of the French during President Mitterrand's visit. At the very least the French should send the officer concerned back to France and conduct an inquiry. It was, however, the French Government who had got themselves into a tafficult position and there was much to be said for reacting calmly.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet were astonished at what had occurred. It was essential to ensure that security arrangements had not been infringed in other ways. The British Government's reaction to the episode must depend on whether the French apologised and on what action they were prepared to take.

The Cabinet -

1. Took note.

Africa

Pyious

terence:
(84) 33rd
aclusions,

THE FOREIGN AND COMMONWEALTH SECRETARY said that the continuing presence of three leaders of Opposition parties in the British Consulate in Durban had created further difficulties with the South African Government. Pollowing the attempt by the three to engage in political activity from the Consulate, the regime governing their conditions and behaviour had been tightened in the hope that this might encourage their voluntary departure but although the hunger strike by members of their families had come to an

end, the three showed no disposition to leave. As a result, criticism by the South African Government of the British Government's handling of the affair had increased. The four South African citizens facing charges nder United Kingdom customs and excise legislation had failed to appear court, in Coventry, on 22 October: the court had accordingly ordered their bail, amounting to £400,000, should be forfeited. The South Pican Government had sought to demonstrate legal justification for its refrest to return the four defendants to the United Kingdom; the court in Covertry had, in fact, ruled that the South African diplomat, Mr Pelser, who had spod surety for the four defendants had not been guilty of personal misconduct. The South African Ambassador had been summoned by the Minister of State, Foreign and Commonwealth Office (Mr Rifkind), and the South African Government had been urged to reconsider its position. It seemed unlikely, however, that it would do so, and the outlook remained uncertain. Various means of bringing pressure to bear on the South African Government to disgorge the four defendants had been considered and there had been demands from Members of Parliament that the South and there had been demands from Members of Parliament that the South African Ambassador should be withdrawn. However, the only realistic means of expressing the strength of the British Government's disapproval of South African conduct would have been to expel Mr Pelser, and this option had now been made less reasible by the court's personal exoneration of him. Mr Pelser's expulsion would in any case lead only to retaliation in kind by the South African covernment. The Foreign and Commonwealth Secretary said that his conclusion was that the overall interests of the United Kingdom's relations with South Africa required that there should be no punitive action by the British Government. The Government's objective should continue to be to limit the damage of the Durban episode to these wider interests; but the situation remained very difficult.

THE FOREIGN AND COMMONWEALTH SECRETARY and that he had made an announcement in the House of Commons of the previous day of increased United Kingdom aid to Ethiopia, where the situation of drought and famine had become desperate. Exchanges in the House, following a Private Notice Question on 22 October, had demonstrated the depth of Members' anxiety that everything possible should be done to provide relief. This degree of public concern had been increased by recent reports on television. He had therefore decided that as much help as could be given from the aid budget should be made available: he had directed that the whole of the balance of national food aid allocated for 1984, amounting to over 6,000 tonnes, should go to Ethiopia and that a further to million should be made available for drought relief in Ethiopia and other African countries. It had to be recognised, however, that relief pressures of this order were wholly inadequate to the scale of the problem which required, according to one estimate, at least 60,000 tonnes of relief or reals every month. Relief on this scale far exceeded the cargo capacity of the Hercules aircraft available and the problem was compounded by the absence of roads in the region of Ethiopia worst affected and by the continuing civil war in the country. There was so far no evidence of the problem was constituted the Red Cross and the Save the Children Fund were responsible, although there was clearly a risk of this. The United Kingdom should nevertheless

lthiopia

Provide all the help it could and urge the other members of the European Community to do the same. Colonel Mengistu's regime, which had just spent extravagantly on the celebration of its own anniversary, appeared at last be adopting a more constructive attitude. The Soviet Union, for its part, was doing nothing whatsoever to help.

The prief discussion it was pointed out that the revelation through the prief discussion it was pointed out that the revelation through the prief discussion is scale of the disaster in Ethiopia had inevitably made it a central political issue and that there was already evidence of some deposition on the part of the Labour Party to make political capital out of the situation. Not least in view of the summer's record harvest and the star of agricultural surpluses in the European Community, there would be trong public pressure for an adequate response to the situation by the British Government and any steps which might be taken should be given effective publicity. There was agreement that it would be important to instigate a concerted and effective response from the European Community and that an appropriate message should be sent to the Irish Presidency as soon as possible.

The Cabinet

2. Invited the secretary of State for Foreign and Commonwealth Affairs to be guided by the views of the Cabinet as expressed in the discussion.

of the Community Previous Reference: CC(84) 30th Conclusions,

THE FOREIGN AND COMMONWEALTH SECRETARY said that the Council of Ministers (Foreign Affairs) on 22-23 October had reached agreement on the Community's negotiating position with pain and Portugal on some outstanding points, in particular on hdustrial tariffs and olive oil. In line with the United Kingdom Active, the Community would be seeking a progressive increase The Spanish reduced duty quota for cars and a substantial cut The tariff applied to it. The negotiating position on fisheries and on Nine was not yet resolved.

lome Convention Previous Reference: <sup>QC</sup>(84) 33rd Conclusions,

Minute 4

Minute 3

THE FOREIGN AND COMMONWEALTH SECRETARY said that in the Council of Ministers (Foreign Affairs) there had been an attempt to reopen the Community's negotiating position that the size of the European Development Fund to accompany the new Convention should be 7 billion ecu. It was important that Germany should be encouraged to maintain the present position

Community Budget Previous leference: CC(84) 33rd

THE FOREIGN AND COMMONWEALTH SERFTARY said that a substantive discussion on budgetary discipling had been avoided in the Council of Ministers (Foreign Affairs) on 22-23 October. The French Government had had internal differences on this question. Efforts had been made, however, in bilateral contacts to achieve a satisfact. THE FOREIGN AND COMMONWEALTH Conclusions, a satisfactory text, winute of course to reach a result. a satisfactory text, and he believed that these discussion were on

Agriculture Previous leference: <sup>00</sup>(84) 32nd Onclusions, Minute 2

THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD said that the Council of Ministers (Agriculture) on 22-23 October had rolled forward the agricultural structure measures. There had been a deadlock on the proposed reform of the Community's wine regime, and it was possible that this would be submitted to the European Council in December. The United Kingdom had protested front the gas price for Dutch horticulturists and about the Europe Commission's latest measures on butter exports.

The Cabinet -

Took note.

4. THE SECRETARY OF STATE FOR ENERGY reported to the Cabinet on the latest position in the coal industry dispute. The Cabinet's discussion is recorded separately.

Previous
Meference:
CO(84) 33rd
Conclusions,
Minute 5

Industry Dispute

COMPANIED DESIGNATION OF THE PARTY OF THE PA

Cabinet Office 25 October 1984

CONFIDENTIAL Sir Robert Armstrong (Bound Volume)

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

COPY NO

CABINET

LIMITED CIRCULATION ANNEX

CC(84) 34th Conclusions, Minute 4

Thursday 25 October 1984 at 10.30 am

INDUSTRIAL AFFAIRS Coal Industry Dispute

Previous Reference: <sup>CC</sup>(84) 33rd Conclusions, Minute 5

THE SECRETARY OF STATE FOR ENERGY said that the number of miners working Continued to increase slowly. Of the total of 174 pits there were now 79 with some men present compared with 63 at the beginning of the summer. A record \$11,000 tonnes of coal had been moved in the previous week and there had been small increase in power station coal stocks. The previous weekend the Mational Coal Board (NCB) had announced the appointment of Mr Michael Ration, Area Director for North Yorkshire, as temporary Assistant to the Chairman. Contrary to the impression given in some press reports the would be responsible for improving the NCB's communications with its workforce and the public and not for the NCB's communications with its workforce and the public and not for the conduct of negotiations. To the early part of the week there had been intensive discussions between the NCB and the National Association of Colliery Overmen, Deputies and Shotfirers (NACODS) under the aegis of the Advisory, Conciliation and Arbitration Service (ACAS). He would circulate to replace of the Cobinet agreement reached. circulate to members of the Cabinet copies of the agreement reached, which had now been published. It deal skilfully with a range of points of particular concern to NACOUS and provided for the incorporation into the colliery review procedure of an independent review body, but left intact the principle that it was for the NCB to make final decisions about closures. On the basis of the agreement the National Executive Committee of NACODS had unanimously decided to call off the strike due to start that morning. This was in spite of intense pressure from the National Union of Mineworkers (NUM) and from the Trades Union Congress (TUC). The NUM would be meeting the NCB that day for discussions at ACAS. The President of the NUM (Mr Scargill) had however already made it clear that the agreement reached with NACODS was unacceptable to him and appeared to be maintaining his total opposition to the closure of uneconomic pits. The NCB would be unlikely to the service of the NUM which they had unlikely to make any significant concessions to the NULL which they had been unwilling to grant to NACODS. The talks would probably therefore be unproductive and might not last long. The time limit to be payment of the fine of £200,000 imposed on the NUM for contempt of court had run out the previous day. It seemed inevitable that the equal would quickly proceed to make an order for the sequestration of NUM's assets.

THE PRIME MINISTER, summing up a brief discussion, said that the calling off of the NACODS dispute was a serious blow to the NUM. The strategy should continue to be one of ensuring that the NUM was isolated from effective support from other unions. Any further initiatives, and the handling of the media, should be considered in that context. The lamediate line to take should be to point out that one-third of NUM members had voted, by a two to one majority, not to strike and were at the lamediate line to take should be a satisfactory understanding with the NCD not only on the matters of particular concern to its members but also on the fundamental issues in the dispute, and that the remaining union in the mining industry, the British Association of Colliery Managers had remained at work throughout the dispute. By contrast, the remaining had remained at work throughout the dispute. By contrast, the remaining had remained at work throughout the dispute of the Opportunity for a ballot. It would be deeply disturbing if the TUC now thought fit to side with the NUM leadership and against those in the industry who wished to continue working.

The Cabinet
Took note.

Cabinet Office 26 October 1984 Control of the second of the s