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CC(85) 18th  
Conclusions

COPY NO 74

CABINET

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

THURSDAY 23 MAY 1985

at 10.30 am

P R E S E N T

The Rt Hon Margaret Thatcher MP  
Prime Minister

The Rt Hon Viscount Whitelaw  
Lord President of the Council

The Rt Hon Sir Geoffrey Howe QC MP  
Secretary of State for Foreign and  
Commonwealth Affairs

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

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer

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

The Rt Hon Peter Walker MP  
Secretary of State for Energy

The Rt Hon Michael Heseltine MP  
Secretary of State for Defence

The Rt Hon George Younger MP  
Secretary of State for Scotland

The Rt Hon Nicholas Edwards MP  
Secretary of State for Wales

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

The Rt Hon John Biffen MP  
Lord Privy Seal

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

The Rt Hon Norman Tebbit MP  
Secretary of State for Trade and Industry

The Rt Hon Tom King MP  
Secretary of State for Employment

The Rt Hon Michael Jopling MP  
Minister of Agriculture, Fisheries and Food

The Rt Hon Peter Rees QC MP  
Chief Secretary, Treasury

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

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

The Rt Hon Lord Young of Graffham  
Minister without Portfolio

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ALSO PRESENT

The Rt Hon John Wakeham MP  
Parliamentary Secretary, Treasury

SECRETARIAT

Sir Robert Armstrong  
Mr D F Williamson (Items 2-6)  
Mr C L G Mallaby (Items 2-4)  
Mr C J S Brearley (Item 1)  
Mr R Watson (Item 1)

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1. The Cabinet were informed of the business to be taken in the House of Commons in the week beginning 3 June.

PARLIAMENTARY  
AFFAIRS

FOREIGN  
AFFAIRS

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Middle East

Previous  
Reference:  
CC(85) 17th  
Conclusions,  
Minute 2

THE FOREIGN AND COMMONWEALTH SECRETARY said that he had just seen King Hussein of Jordan, who was in London on his way to the United States where he would see President Reagan. The King was trying hard to advance his peace initiative. He was very cautiously hopeful of progress. King Hussein was looking for help and encouragement from the United Kingdom. He would be seeing the Prime Minister on 7 June, after his visit to the United States. The whole peace process in the Middle East was at a delicate and difficult stage.

Sri Lanka

Previous  
Reference:  
CC(85) 17th  
Conclusions,  
Minute 2

THE FOREIGN AND COMMONWEALTH SECRETARY said that some 150 Tamils from Sri Lanka had arrived in the United Kingdom and sought asylum in the first two weeks of May. Since 16 May, when detailed checks had begun, 386 Tamils had applied for asylum on arriving in the United Kingdom. On 20 May, the Home Secretary, in reply to a Written Parliamentary Question, had announced a change of policy on the admission of Tamils from Sri Lanka seeking asylum in this country. Despite the violence in Sri Lanka, there was no reason to believe that Tamils returning there would face persecution. There was thus no justification for a general policy of granting leave to Tamils to enter or remain in the United Kingdom. Tamils would henceforth be sent back to Sri Lanka, save in the exceptional cases where there was reason to foresee severe hardships on return there. The Sri Lankan Government had agreed to do what it could to restrict the flow of Tamils to the United Kingdom. Officials had also spoken to the two airlines particularly involved.

In discussion, the importance was noted of making clear that Tamils arriving in the United Kingdom were likely to be turned back. It was therefore essential to move quickly in making effective the new controls at London Heathrow Airport. If these measures did not prove effective, it would be necessary to consider seriously the unprecedented step of imposing a visa requirement on citizens of a Commonwealth country. There was no reason why Tamils should come to Britain; India, with its large Tamil population, would be far more appropriate. There were already some 900 Sri Lankan Tamils in the United Kingdom who did not qualify to remain here.

It would be necessary not only to stop the flow of Tamils gaining entry into the United Kingdom but also to ensure that as many as possible of those already here but not qualified to remain should before long depart. Ministers would be provided with background briefing about this subject.

People's  
Republic of  
China  
Previous  
Reference:  
CC(85) 17th  
Conclusions,  
Minute 2

THE SECRETARY OF STATE FOR THE ENVIRONMENT said that he had had a discussion with the Minister of Urban Affairs of the Chinese People's Republic, who was soon to become the First Secretary of the Chinese Communist Party in Shanghai. The Minister had asked for information about three subjects: how to promote overseas investment in Shanghai, free ports and enterprise zones.

The Cabinet -  
Took note.

COMMUNITY  
AFFAIRS  
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Development  
of the  
Community

3. THE PRIME MINISTER said that she had had satisfactory discussions on the development of the European Community with the Federal German Chancellor, Herr Kohl, on 18 May. He had suggested, however, that there should be increased powers for the European Parliament, and she had not agreed with his views on this point.

THE FOREIGN AND COMMONWEALTH SECRETARY said that the United Kingdom was active in contacts with other member states in order to influence the preparation for the discussion at the European Council in Milan in June. He had met the French Foreign Minister, Monsieur Dumas, on 21 May. The President of the Commission, Monsieur Delors, would be meeting the Prime Minister and himself on 24 May.

Agriculture  
Previous  
Reference:  
CC(85) 17th  
Conclusions,  
Minute 3

THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD said that at the Council of Ministers (Agriculture) on 13-16 May agreement had been reached on agricultural prices and related measures for 1985-86 except on cereals and rapeseed. He was satisfied that United Kingdom objectives had been achieved for those products which had now been settled. On cereals and rapeseed a further attempt to reach agreement would be made in the Council of Ministers (Agriculture) on 11-12 June but this might not be possible.

In discussion it was pointed out that, although the Federal German Chancellor might say that the Federal Republic of Germany had not vetoed the proposals on cereals and rapeseed, it was undeniable that the Federal German Minister had invoked paragraph 1 of the Luxembourg compromise in order to defer a decision on these products.

Finance

Previous  
Reference  
CC(85) 17th  
Conclusions  
Minute 3

THE CHANCELLOR OF THE EXCHEQUER said that in the Council of Ministers (Budget) on 22 May a large number of proposals by the European Parliament for increased expenditure in the Community's draft budget for 1985 had been rejected. The only significant addition related to emergency food aid for Africa. It now seemed likely that the budget would be adopted during June with provision on the revenue side for the United Kingdom's 1,000 million ecu abatement for 1984 and that this abatement would be implemented during the present calendar year or, at the worst, the present financial year. In discussion it was said that the Federal German Chancellor, Herr Kohl, attached political importance to Community financial support for an agricultural scheme to be organised by the Polish church. The Council of Ministers (Budget) had resolved the differing views on this point by inserting a token entry in the budget but without more specific provision for expenditure.

Energy

THE SECRETARY OF STATE FOR ENERGY said that the Commission had been raising objections to the United Kingdom criteria for oil and gas licensing in the North Sea. This intervention was not welcome and he had held discussions with the Vice President of the Commission, Lord Cockfield, about it. The matter might be resolved by formally setting no criteria on the points in issue. The Commission was also showing an unduly interventionist interest in the future of the coal industry. This was a sensitive matter, not suitable for detailed Community five-year plans or similar Commission initiatives. He had made his views clear to Herr Mosar, the Commissioner responsible.

The Cabinet -

Took note.

NORTHERN  
IRELAND  
AFFAIRS

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Relations  
between the  
Royal Ulster  
Constabulary  
and the  
Garda  
Siochana

4. THE SECRETARY OF STATE FOR NORTHERN IRELAND said that there was justified resentment in the Royal Ulster Constabulary (RUC) about the level of co-operation with the Garda Siochana. Co-operation at working level at the border with the Irish Republic was reasonably good, but at higher levels it was difficult. At the top, there was no co-operation and considerable mistrust between the Commissioner of the Garda, Mr Lawrence Wren, and the Chief Constable of the RUC, Sir John Hermon, though Sir John Hermon had tried to improve the relationship. After the killing of four members of the RUC near Newry on 20 May, Sir John Hermon had stated publicly that he believed that those who had carried out the killing and their vehicle had come across the border from the Irish Republic. The Irish authorities had been annoyed by this, feeling that they had been publicly accused. It seemed that the lorry involved in the incident had probably been hijacked in Northern Ireland, crossed the border into the Republic and then returned to Northern Ireland. The explosive had been detonated by radio, probably from just within Northern Ireland. Those responsible had probably made good their

escape in the Irish Republic. The Secretary of State for Northern Ireland said that he would shortly be seeing the Irish Foreign Minister, Mr Peter Barry, and would explain the types of co-operation needed by the RUC and the areas where it was not at present forthcoming.

In a brief discussion, the importance of the Irish Republic as a haven for terrorists was noted. The view of the RUC was that the Garda were in general good; but they were subject to close political influence, and co-operation with the RUC ebbed and flowed over time. The Taoiseach, Dr Garret FitzGerald, had more than once expressed to British Ministers his view that the police forces in the Irish Republic and the United Kingdom were prone to press leaks and that this hindered the greater sharing of information between them.

The Cabinet -

Took note.

LOCAL GOVERNMENT

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Recent Developments

5. THE SECRETARY OF STATE FOR THE ENVIRONMENT said that the London Borough of Hackney had now made a rate. This was a welcome development. The latest information suggested that the Liverpool City Council did not intend to set a rate, and he would be putting a paper to his colleagues about this.

The Cabinet -

Took note.

ECONOMIC AFFAIRS

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Unemployment

6. THE SECRETARY OF STATE FOR EMPLOYMENT said that the latest figures would be published on 31 May. Active investigations were under way in order to examine an apparent conflict in some areas between the level of unemployment and difficulties of recruitment.

The Cabinet -

Took note.

Cabinet Office

23 May 1985