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CABINET

CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street on THURSDAY 5 JUNE 1986

at 10.00 am

PRESENT

The Rt Hon Margaret Thatcher MP Prime Minister

The Rt Hon Viscount Whitelaw Lord President of the Council

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 Norman Fowler MP Secretary of State for Social Services

The Rt Hon Tom King MP Secretary of State for Northern Ireland

The Rt Hon Nicholas Ridley MP Secretary of State for the Environment

The Rt Hon Kenneth Baker MP Secretary of State for Education and Science Chief Secretary, Theasury

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

The Rt Hon Douglas Hurd MP Secretary of State for the Home Department

The Rt Hon George Younger MP Secretary of State for Defence

The Rt Hon John Biffen MP Lond Privy Seal

the Rt Hon Norman Tebbit MP Chance lor of the Duchy of Lancaster

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

The Rt Hon Lord Young of Graffham Secretary of State for Employment

The Rt Hon John MacGregor MP

The Rt Hon Paul Channon MP Secretary of State For Trade and Industry

The Rt Hon John Moore MP Secretary of State for Transport

ALSO PRESENT

The Rt Hon John Wakeham MP Parliamentary Secretary, Treasury

CONFIDENTIAL

SECRETARIAT

Sir Robert Armstrong
Mr D F Williamson (Items 2 and 3)
Mr C L G Mallaby (Items 2 and 3)
Mr A J Langdon (Item 1)
Mr M J Eland (Item 1)

CONTENTS

Item	Subject	Page
1.	PARLIAMBNIARY AFFAIRS	1
	Progress of Legislation in the House of Lords	_e 1
	Public Order: Travellers	1
2.	FOREIGN AFFAIRS	
	The North Atlantic Council	3
	Anglo-Soviet Relations	4
	The Prime Minister's Visit to Israel	6
	India	6
	Argentina	6
	South Africa	6
3.	COMMUNITY AFFAIRS	
	Community Budget	7
	Maximum Radiation Levels for Food Imports	7
	Nuclear Energy	8
	Agriculture	8

PARL AMENTARY

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

Progress of Legislation in the House of Lords

THE LORD PRESIDENT OF THE COUNCIL said that the seasonal pressure on the Ametable for Government business in the House of Lords was proving greater than usual because of the exceptionally heavy legislative programme, which had recently led to a decision to have an all-night sitting on the Gas Bill. The pressure was exacerbated by the desire of Liberat and Social Democratic peers in the Lords to adopt a high profile in their opposition to Government proposals. That had sometimes upset arrangements reached with the official Opposition through the usual channels but he had so far resisted including parties other than the official Opposition in such discussions. To reduce the effectiveness of the Opposition parties' tactics he had explored the options for extending the pumper of days in which the House would sit in that Session. He did not think it would be profitable for the House to continue sitting into August once the House of Commons had risen for the Summer Adjournment, but he had persuaded the Opposition parties that the House would have to ke ume earlier than usual in the autumn and that it should sit during the Party Conferences. While he was confident that he could secure Royal Assent to the Gas Bill on the timetable the Secretary of State for Energy had regrested, he could not guarantee being able to secure Royal Assent before the Summer Adjournment for all the other Bills for which that was being sought.

The Cabinet -

1. Took note.

Public Order: Travellers THE HOME SECRETARY said that the so-colled "peace convoy" of travellers comprising of 112 vehicles was current camped in the New Forest at Stoney Cross on land belonging to the Forestry Commission. Action was being taken in the High Court that day to recover possession of the land. Although initial public comment had focused on the absence of a crime of trespass, it was now being more wide of recognised that a full range of powers were available to the police to example, in relation to criminal damage, obstruction of the highway and heach of the peace. Nevertheless he believed there was probably scope for some extension of the law and he would shortly put forward proposals //the difficulty was in devising changes in the law which would not impede perfectly legitimate activity - for example, by ramblers organizations and the like. The police faced difficult choices in the exercise of existing powers. They had to strike a balance between strict enforcement of the law and general maintenance of the peace. In addition to questions of police powers and their exercise, a wide range of other is that been highlighted such as breaches of law in relation to the road pretiness of

the vehicles in the convoy; the fact that the children involved did not appear to be receiving regular education; the question whether the children should be taken into care; and the treatment of the travellers for social security purposes. The question of allocating such people permanent sites had also been mooted. At present sites were only made vailable to those who had a genuine nomadic tradition and he was wary of breaching this limitation. In view of the range of interests the least of the consideration of these issues seemed desirable.

In discussion the following points were made -

The activities of the convoy had given rise to strong anger and anxiety and it was most important that the Government should be seen to be responding quickly. Although the convoy in the New Forest was currently attracting all the media attention, there were other smaller groups in other areas which were causing similar problems, some of them long-standing.

- b. Previous experience with such groups suggested that the law provided a sufficient range of remedies but that the penalties imposed by the courts, at any rate initially, were insufficient to deter people of the kind that were involved.
- c. Although some of the members of such convoys were relatively harmless individuals once groups were formed they began to attract criminal elements. The most important ingredient of control was to prevent such groups increasing beyond a manageable size.
- d. There were strong objections to giving such groups permanent sites. This would only legitimise their activities and encourage the spread of the problem. There would be intense opposition from local residents to whichever sites were chosen.
- e. Action had already been taken to prevent social security fraud by such groups but to go further and remove entitlement to benefits raised more fundamental questions.

THE PRIME MINISTER, summing up the discussion, said that it was most important that the genuine feelings of alarm and anxiety caused by the activities of such groups should be seen to be met by a quick and vigorous response from the Government. The actions that could be taken should be considered as a matter of urgency by officials and then by a small group of those Ministers most concerned, prior to a full collective discussion in the Home and Social Affairs committee. This consideration should include the various points raised in the discussion but the Cabinet were agreed that the option of providing termanent sites for such groups should not be pursued further.

The Cabinet -

2. Took note, with approval, of the Prime Minister' summing up of their discussion.

- 3. Agreed that the possibility of providing permanent sites for groups of "travellers" should not be pursued further.
- 4. Noted that the Prime Minister would arrange for the action that might be taken to deal with such groups to be considered by a group of those Ministers most concerned, prior to consideration by the Home and Social Affairs Committee.

FOREIGN
AFFAIRS
--The North
Atlantic

Council

THE FOREIGN AND COMMONWEALTH SECRETARY said that, during the meeting of Foreign Ministers of the North Atlantic Treaty Organisation (NATO) in Halifax, Nova Scotia, on 29-30 May, there had been considerable discussion of relations among the allies and in particular between the United States and the European members of the Alliance. This had been a reflection, in particular, of the tensions caused in the Alliance by the United States military action against Libya on 14 April. The United Kingdow's sopport for the United States action had been a positive contribution to solidarity in the Alliance. The discussion at Halifax had also covered the United States intention to modernise its chemical weapons and the failure of the recent meeting in Berne, as part of the process stemming from the Conference on Security and Co-operation in Europe, to discuss human contacts between East and West. The European members of the Alliance had expressed anxiety at the announcement by the United States of its intention to cease to abide by the provisions of the Second Agreement on Strategic Arms Limitation (SALT II) after the end of 1986, because of violations of those provisions which the United States believed the Soviet Union to have committed.

There had been a useful discussion at The North Atlantic Council of the positions of the allies on arms controll. It had been recognised that the positions of the Alliance on strategic arms reductions, intermediate-range nuclear weapons and aban on chemical weapons were convincing and that the Soviet Union had generally failed to respond adequately to them. It had been agreed that the allies should do more to secure public recognition for the merits of Engir positions. The allies had also decided to undertake a study of conventional arms control covering the whole of Europe. The remarks on this subject by the General Secretary of the Communist Party of the giviet Union, Mr Mikhail Gorbachev, on 18 April were likely to be elaborated by a meeting of Warsaw Pact Foreign Ministers on 12 June. / Meanwhile, the Soviet Union had put forward on 29 May a new proposal in the negotiations on nuclear arms control with the United States in Geneva. This linked the strengthening and clarification of the Kart Ballistic Missile Treaty with 50 per cent reductions in strategic acclear weapons. The Soviet proposal seemed similar at first sight to ideas which the Government had canvassed with the United States Administration United States Secretary of State, Mr George Shultz, had told

Foreign Ministers in Halifax that the Soviet proposal seemed potentially important. He had urged that it be kept confidential; but its substance had become public some two days later and it had been denounced by the United States Secretary of Defense, Mr Caspar Weinberger. This incident showed the difficulties that could be caused for the West by differences within the Administration in Washington.

The Cabinet -

Took note.

Anglo-Soviet Relations THE FOREIGN AND COMMONWEALTH SECRETARY said that the Soviet Ambassador, Mr Leonid Zamyatin, had informed him on 2 June that the Soviet Foreign Minister, Mr Eduard Shevardnadze, wished to pay his outstanding visit to the United Kingdom before the summer break. Dates in the second half of July were under discussion. The visit would provide an opportunity both for the United Kingdom to contribute to East-West discussion, notably on arms control, and for the Soviet Union to seek to influence public opinion in this country.

THE LORD PRESIDENT OF THE COUNCIL reported on his visit to the Soviet Union from 23 May to 2 June as leader of a British Parliamentary delegation. He said it was clear that Mr Gorbachev had greatly appreciated the treatment he had received during his visit to the United Kingdom in 1984 and especially his talks with the Prime Minister. Mr Gorbachev had concluded from that visit that a dialogue was possible between the Soviet Union and the United Kingdom. He had decided that the British Parliamentary delegation should receive the same high level treatment. The meeting with Mr Gorbachev had been the most important event during the visit. It had teken place in St Catherine's Hall in the Kremlin. Mr Gorbachev's handling of this meeting had shown that he had a sense of theatre, as well as an imposing presence and great sharpness of mind. The meeting had begun with a restricted session between Mr Gorbachev and himself. He had handed over a letter from the Prime Minister. The meeting had been frendly, both sides deliberately avoiding polemics. Mr Gorbachev had said he had appreciated his meetings with the Prime Minister in 1984 and was glad to receive her letter. But he had expressed some doubt whether the United Kingdom really wanted good relations with the Soviet Vajor He had implied that some British decisions, for instance the expulsion of members of the Soviet Embassy in London or support for the United States military action against Libya, were not compatible with a genting search for good relations. The Lord President of the Council had replied that neither the Prime Minister nor he himself would have wished him to visit Moscow if the Government had not wanted good relations with the Soviet Union. The Lord President of the Council had formed the firm impression that Mr Gorbachev wanted a second summit meeting with the United States President, Mr Reagan, provided that he could secure some specif result. President Reagan's recent decision that the United St

might cease to observe the Second Agreement on Strategic Arms Limitations (SALT II) would give Mr Gorbachev a convincing excuse should he decide not to attend a second summit.

When the other members of the delegation had joined the meeting, Gorbachev had said that, if the United Kingdom eliminated its nuclear papons capability, the Soviet Union would be willing to reduce its pear weapons to an equal extent and that, if nuclear weapons were banned from British soil, the Soviet Union would guarantee not to use nuclear weapons against the United Kingdom. A number of the members of the tritish delegation had found these remarks unconvincing and demending. The delegation had raised with Mr Gorbachev the question of human tights in the Soviet Union and had handed over a list of 23 personal cases with the request that they be settled. Mr Gorbachev had said that all Western delegations seemed to speak on these lines. He had taken the list but had given no sign that there would be concessions. The delegation had later urged the importance of the list in meetings with other Soviet figures. The Lord President of the Council thought that there might be some Soviet response, such as permission for two or three persons on the list to leave the Soviet Union. The Government should maintain pressure on the Soviet authorities for a response.

The Lord President of the Souncil said that the delegation had also had meetings with the Soviet Head of State, Mr Andrei Gromyko; the Minister of Foreign Trade, Mr Bokis Aristov; and the Deputy Prime Minister with responsibility for agriculture, Mr Vsevolod Murakhovsky. The last was an effective and likeable person relations with whom would be worth cultivating; he was due shortly to visit the United Kingdom. The delegation had gained the impression that the nuclear reactor disaster at Chernobyl in the Ukraine had taused great concern among the Soviet leaders and that East-West co-operation on matters concering safety in nuclear power stations should be possible.

THE PRIME MINISTER, summing up a short discussion, said that Mr Gorbachev, after his visit to the United Kingdom, had reported on it to the Politburo of the Communist Party of the Soviet Union, which had reached a positive assessment of the visit. It was particularly appropriate that the Lord President of the Council had reported fully to Cabinet on his visit to the Soviet Union.

The Cabinet -

2. Took note, with approval, of the Prime Minister's summing up of their discussion.

3. Invited the Foreign and Commonwealth Secretary of arrange for the Soviet Union to be informed that the Lord President of the Council had reported fully on the visit to the Cabinet, who were appreciative of the way which the delegation had been received and saw the visit as a positive step in British-Soviet relations.

4. Thanked the Lord President of the Council for his successful leadership of the delegation.

The Prime Minister's Visit to Israel

THE PRIME MINISTER, reporting on her visit to Israel from 24 to 27 May, said that it had gone extremely well. The effect in Israel and among moderate Arab leaders appeared to have been positive, although the press in some parts of the Arab world had been predictably critical. She had stressed while in Israel that Israelis could not deny to others the fail democratic and human rights which they sought for themselves.

India

Previous Reference: CC(86) 20.3 THE FOREIGN AND COMMONWEALTH SECRETARY said that, after much delay in the governmental bureaucracy, India had at last confirmed on 3 June its agreement, first foreshadowed by the Prime Minister, Mr Rajiv Gandhi, in April, to the posting of two British drug liaison officers to India. He had informed the Home Affairs Committee of the House of Commons on 4 June.

Argentina

Previous Reference: CC(86) 8.2 THE FOREIGN AND COMMONWEALTH SECRETARY said that on 28 May Argentina had fired on a Taiwanese fishing wessel close to the Falkland Islands Protection Zone. One person had died and several had been injured. This was the latest example of Argentina's determination to assert authority over these waters. The Sovernment had reaffirmed its commitment to a multilateral approach to the problem of fishery stocks in the area. He and the Secretary of State for Defence would shortly be circulating papers to colleagues on aspects of the situation concerning the Falkland Islands.

South Africa

Previous Reference: CC(86) 21.4 THE FOREIGN AND COMMONWEALTH SECRETARY said that the Commonwealth Eminent Persons Group (COMGEP) was meeting in London to consider its further role. It had not yet reached any conclusion. The British member of the Group, Lord Barber, was working hard to keep the Group in being, so that it could carry forward the attempt to engage South Africa in dialogue. The Australian member of the Group, Mr Malcolm Fraser, was giving some support. COMGEP might not decide to give up its work immediately, but the prospects for its future efforts were not good, in view of the far from encouraging response which the South African Government had made to the Group's proposals. The plan for a meeting of Heads of Government to review the work of COMGEP from 3 to August in London would probably not be altered, provided that there was no serious trouble in South Africa meanwhile.

THE FOREIGN AND COMMONWEALTH SECRETARY said that he had discussed the situation regarding South Africa separately with Foreign Ministers of the United States, France and the Federal Republic of Germany. Although the attitude of France regarding further measures against South Africa was in principle firmer since the advent of the Government led by Monsieur Jacques Chirac, France had not vetoed the most recent resolution about sanctions in the United Nations Security Council, and the French attitude was thus uncertain. The United States administration was coming under pressure in the Congress for further measures against South Africa. The Government would remain in close contact with the United States Administration. He would report further to Contact with situation developed.

The Cabinet -

5. Took note.

COMMUNITY AFFAIRS

Community Budget

Previous Reference: CC(86) 12.3 3. THE CHANCELLOR OF THE EXCHEQUER said that the Council of Ministers and a number of member states, including the United Kingdom, had decided earlier in the year to take the European Parliament to the European Court of Justice on the grounds that the European Parliament had illegally adopted the Community's 1986 budget. The Advocate General of the European Court of Justice had now given an Opinion in the case brought by the Council of Ministers. While he also criticised the Council, the Advocate General Stated clearly that in his opinion the European Parliament had exceeded its powers under the Treaty. If the European Court of Justice, which would be giving its judgment shortly, were to follow the Opinion of the Advocate General, the United Kingdom would have gained what it was seeking on the important issue of the budgetary powers of the European Parliament. There were, of course, other major budgetary difficulties also, and some of these problems would fall to be settled by the United Kingdom Presidency in the second half of 1986.

Maximum Radiation Levels for Food Imports

Previous Reference: CC(86) 20.4 THE PRIME MINISTER said that she understood that the Community had now reached agreement on a regulation on maximum radiation levels in food imports from all countries. In discussion it was said that, although the standards might be slightly more strict than was technically justified, it was satisfactory that agreement had been reached and the ban on imports from certain countries lifted.

7

CONFIDENTIAL

239

Nuclear Energy

nergy THE SECRETARY OF STATE FOR ENERGY said that there was a risk of a polarisation of attitudes towards nuclear energy among member states of the European Community. In particular, the Commissioner responsible for energy, Mr Clinton Davis, might be giving too much attention to the views of non-nuclear countries such as Greece in the proposals which might be brought forward following the Chernobyl nuclear accident.

Agriculture

THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD said that at the Council of Ministers (Agriculture) on 26-27 May satisfactory arrangements had been decided on certain issues relating to monetary compensatory amounts and agreement had been reached on directives relating, in particular, to pesticide residues.

The Cabinet -

Took not

Cabinet Office

5 June 1986