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MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON SW1A 2HH



From the Minister

ZPRS

Prime Minister

EMERGENCY AID FOR FARMERS

I have seen a copy of the Secretary of State for Scotland's minute to you of 24 October on this subject.

As he correctly says, the weather has had devastating effects on the agricultural industry, and particularly the livestock sector, in many parts of the United Kingdom. There have been detailed discussions between the four Agriculture Departments as a result of which I am writing now to the Chief Secretary with our proposals on the aid that should be made available.

As to our stance in Brussels, we have referred to the problems in the UK at each Agriculture Council since the summer. As soon as Ireland approached the Commission for assistance I arranged for the Agriculture Commissioner to be informed that we also had severe problems in this country, and I subsequently sent him a note on 24 September about the difficulties facing Northern Ireland, and seeking changes to the suckler cow subsidy rules to help producers affected by the weather throughout the United Kingdom. At that stage, the full extent of the damage in Great Britain had not become evident. In discussion between the four Agricultural Ministers on 3 October, we agreed to put a further note to the Commission describing the situation in the UK as a whole. George did not suggest at that time that we should do more than this. Indeed, we agreed at our meeting that it would not be appropriate specifically to seek special aid from the Community except for the movement of grain to Northern Ireland.

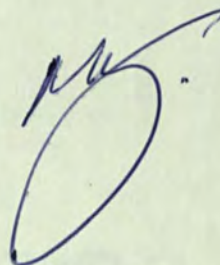
The only actions which Mr Andriessen has shown any readiness to contemplate has been the movement of grain, first to Ireland and Northern Ireland and subsequently within France. He has also said that he will consider a request from the Italian Minister. When the arrangements for moving grain in France were under discussion in the Management Committee, my Department consulted the Scottish Office on whether we would want similar provisions relating to Scotland. We were advised that the situation in Scotland was not comparable with that in France and that a similar action would not be helpful. Nevertheless, my officials have kept open the possibility that we might want to come back to this.

The approach that I have followed in discussions in Brussels has reflected consultations between the four Agriculture Departments and I do not accept that we have missed any opportunity for securing help. I understand, of course, the argument that we should be seen to be pressing for any help that may be available. But Mr Andriessen

has made it clear that he is not ready to contemplate any assistance other than for the movement of intervention grain. Indeed, he has rejected requests from the Irish Republic for other types of financial assistance. I think we must recognise that the Commission would be unlikely to respond positively to a special request from the UK, particularly in view of our general attitude to Community expenditure. Moreover, the risk is, that if we press for more expenditure in the UK, others would seek to jump on the bandwagon. This is not to argue that we should necessarily be holding back. If the Treasury are content, I am certainly ready to mount an argument with the Commission and have laid the necessary ground work. But we need to be very clear what it is we are asking for.

As to the Carse of Stirling problem, we have not had a detailed proposal put to us by the Scottish Office. We should clearly need to consider whether there is a special problem there which can be distinguished from the problems facing others outside the livestock sector, such as cereal producers and fruit and vegetable growers in some of the areas affected by the adverse weather.

I am copying this minute to George Younger, Nicholas Edwards, Tom King and John MacGregor.

A handwritten signature in blue ink, consisting of a stylized 'M' and 'J' followed by a large loop.

M J
25 October 1985

Expenditure : AGRICULTURE Sept 83.

