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FM UKDEL STRASBOURG 142020Z MARCH 85  
TO PRIORITY FCO  
TELEGRAM NUMBER 68 OF 14 MARCH  
AND TO PRIORITY UKREP BRUSSELS  
ROUTINE EC POSTS,  
SAVING LISBON MADRID AND WASHINGTON

FRAME AGRICULTURE

FROM UKREP BRUSSELS

**EUROPEAN PARLIAMENT RESOLUTION ON CAP PRICES**

## SUMMARY

1. THE EUROPEAN PARLIAMENT REJECTED THE COMMISSION PROPOSALS ON AGRICULTURAL PRICES AND VOTED, IN A RESOLUTION WHICH HAD A MAJORITY OF ONLY 14 VOTES, FOR AN AVERAGE INCREASE IN REAL TERMS IN CAP PRICES OF 3.5%. THE RESOLUTION AS ADOPTED CONTAINS FEW SPECIFIC RECOMMENDATIONS ON PRICE CHANGES FOR INDIVIDUAL PRODUCTS. IT SUGGESTS THAT THESE BE DIFFERENTIATED IN ORDER TO ENCOURAGE CROPS OF WHICH THERE IS A SHORTFALL, COUPLED WITH A CO-RESPONSIBILITY POLICY INVOLVING PRODUCERS IN THE MANAGEMENT OF MARKETS FOR SURPLUS PRODUCTS.

## DETAIL

2. THE VOTE REJECTING THE COMMISSION PROPOSAL WAS 111 IN FAVOUR, 183 AGAINST AND 9 ABSTENTIONS.

3. THE RESOLUTION ADOPTED BY THE PARLIAMENT IS AN AMENDED VERSION OF THE PRANCHERE MOTION FOR RESOLUTION (DOC 2-1770/84/A). THE FINAL VOTE ON THIS RESOLUTION WAS 137 FOR, 123 AGAINST AND 13 ABSTENTIONS. THE MAJORITY IN FAVOUR WAS THUS MARKEDLY SMALLER THAN THE MAJORITIES FOR THE PARLIAMENT'S VOTES ON AGRICULTURAL PRICES IN PREVIOUS YEARS - WHEN MAJORITIES OF 50 OR SO WERE TYPICAL. BUT THE GENERAL PATTERN OF VOTING WAS THAT THE BUDGETS COMMITTEE AMENDMENTS, BASED ON A POLICY OF NO CHANGE IN PRICES COUPLED WITH STRUCTURAL AND DIRECT INCOME AIDS, WERE VOTED DOWN UNLESS THEY SPECIFICALLY CONCERNED AIDS OF BENEFIT TO FARMERS. IN MOST OF THE VOTES, WHICH TOOK OVER THREE HOURS, THE EDG AND PART OF THE SOCIALIST GROUP, INCLUDING THE BRITISH SOCIALISTS, VOTED ON THE LINES OF THE COMMISSION PROPOSAL. THEY GOT SPASMODIC SUPPORT FROM OTHER GROUPS, NOTABLY FROM MEMBERS OF THE BUDGET COMMITTEE. THE MAJORITY OF THE CHRISTIAN DEMOCRATS, LIBERALS, FRENCH COMMUNISTS, GAULLISTS, RIGHT-WING GROUPS AND VIRTUALLY ALL THE GREEKS VOTED FOR THE HIGHER PRICE PROPOSALS.

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4. IN A CLOSE VOTE ON THE TEXT ON OILS AND FATS (PARA 85) A RECOMMENDATION QUOTE REQUESTS THE COUNCIL IMMEDIATELY TO ADOPT THE COMMISSION'S PROPOSAL WHICH WAS APPROVED BY THE EUROPEAN PARLIAMENT (REPORT BY MR GOERENS ( DOC 1-1507/83)) ON THE INTRODUCTION OF A TAX ON VEGETABLE FATS : UNQUOTE WAS REJECTED.

5. ALSO REJECTED WAS THE PROPOSAL IN THE PRANCHERE DRAFT FOR A 5% INCREASE IN THE TARGET PRICE FOR MILK. NO NEW FIGURE FOR MILK WAS ADOPTED.

6. AFTER THE VOTE ANDRIESSEN DECLINED TO COMMENT IN PLENARY. BUT SPEAKING PRIVATELY TO BRITISH MEPS AFTERWARDS HE INDICATED THAT THE NARROWNESS OF THE MAJORITY FOR THE RESOLUTION, ITS INCONSISTENCIES AND LACK OF SPECIFIC SOLUTIONS WOULD MAKE IT RELATIVELY EASY TO DISMISS.

7. FULL TEXT OF RESOLUTION AS ADOPTED WILL BE AVAILABLE FROM MISS HAMER UKREP BRUSSELS TOMORROW MORNING.

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