

Prime Minister

PRESS CONFERENCE

I have arranged for you to give a press conference at your convenience after the Council. This would be followed by the usual short radio and TV interviews.

As you will be aware, a number of popular newspapers yesterday urged you to go to Luxembourg to sort out the Europeans and have no truck with their expensive ambitions.

It follows that you will need to present any Agreement very carefully, highlighting your pleasure over three objectives which have been achieved:

- a timetable for the completion of the internal market;
- the success of your small firms initiative;
- the reduction in the number of Councils from 3 to 2 per year.

The main points to watch with the media are:

- your agreement to Treaty amendments (on which you have not been dogmatic);

- the extent to which you are permitting more majority voting (which the press see as a weakening of our sovereignty);
- animal and plant protection (the "rabies clause") and frontier controls over drug traffickers, terrorists, etc;
- the monetary issue which is arguably the most politically sensitive for you.

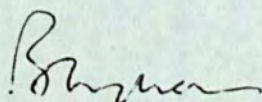
I attach at Annex I a draft speaking note.

Other Issues

The following other issues may arise:

- Northern Ireland and your meeting with Dr FitzGerald - the agreed briefing line is at Annex II;
- the Archbishop of Canterbury's report - a briefing line is at Annex III;
- the Daily Mail's story today claiming that you persuaded the South Africans to call off the British Lions tour - which we have dismissed as nonsense;
- UNESCO, on which there is a fair amount of interest.

I will preside at the press conference and let it run for a maximum of 30 minutes.



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BERNARD INGHAM

DRAFT OPENING REMARKS - PRESS CONFERENCE

This has been a very detailed European Council but I am glad to say it has had a positive outcome.

And this positive outcome is very much in line with the objectives we set ourselves before the ill-fated Milan Council.

Unfortunately, Milan chose the hard road but generally speaking we have emerged with what we felt was politically possible six months ago.

There are four positive developments which I would like to draw to your attention:

- first, we have agreed to complete the internal market by the end of 1992 and to this end we have agreed improvements in the Community's decision-taking which still safeguard our national interests; a much greater internal market offers opportunities for both British industry and commerce and for Europe to compete more effectively in the world. So that then is very good news;
- second, we have agreed on ways of strengthening technological cooperation which is also very important to our future economic and industrial strength;
- third - and I am naturally very pleased about this - my initiative to try to reduce Community burdens on small and medium-sized firms is to be adopted. The Commission is to analyse the costs and benefits of future Community legislation and its impact on small firms; to try to cut out existing red tape; and to set up a unit in the Commission to monitor this attempt to help and nurture small businesses which are so vital if we are to create more jobs.

- finally, I am pleased to say that we have agreed to reduce the number of European Councils held each year from 3 to 2. This I am sure makes sense and will, I hope, make for more strategic discussions at future Councils.

We have of course done a great deal more work including agreeing a Treaty formalising existing political cooperation arrangements and improving the procedures for consulting the European Parliament.

All this does involve some Treaty changes. I would have been prepared to see all this done by political decision in Milan. But we were never dogmatic about it. Where Treaty changes will further our objectives, we have been able to accept them; and those which were not acceptable to us have been struck out.

The changes will have to be approved by Parliament and I shall commend them to the Commons in the belief they serve Britain's interests - one of which is an economically stronger Community with a single market of 12 nations.

Meeting between the Prime Minister and the Taoiseach:
Press Statement

The Prime Minister and the Taoiseach reviewed the position following the signature of the Anglo/Irish Agreement. They confirmed that the Agreement would be implemented as planned. They recognised the concern about the Agreement among the Unionist community. They hoped that the community would come to understand the reassurance on the status of Northern Ireland and other matters which the Agreement offers.

LINE TO TAKE ON ARCHBISHOP OF CANTERBURY'S COMMISSION

- Report makes 38 recommendations to the Church, 23 to Government.
- Does not break new ground; problems of inner cities have built up over decades, all well known and Government is tackling them.
- The Commission recognises Church money is limited and needs to be used carefully.
- But next to no costing of the recommendations for Government policy; 16 recommendations potentially involving greater public expenditure but only one costed - the £550 - 600m estimate of the cost of extending the Commercial Programme to 500,000 places.
- Government has recognised the problems of inner cities and since 1979 has in real terms:
 - doubled urban programme to £338m;
 - doubled derelict land grants to £82m;
 - doubled support for local authority posts dealing with special needs of Commonwealth immigrants to £95m;
 - trebled support for voluntary sector to £640m;
 - trebled housing improvement grants to £500m.

- Over and above this, Government is:
 - encouraging local authorities to repair existing housing stock;
 - strongly encouraging home ownership, through the right to buy, and extending this to flats;
 - promoting enterprise and increasing training in inner cities.

- What is needed today are:
 - to create an enterprising and expanding economy;
 - to get better value from existing expenditure in inner cities;
 - to encourage people to have a stake in their community;
 - to stimulate self help.