

CCBG
✓

Department of Employment

Caxton House Tothill Street London SW1H 9NF
5949

Telephone Direct Line 01-213.....

Switchboard 01-213 3000

The Rt Hon Sir Geoffrey Howe, QC, MP
Secretary of State for Foreign
and Commonwealth Affairs
Foreign and Commonwealth Office
London SW1A 2AH

17 October 1986

CJP
COP
17/X.

Dear Sir,

EC: EMPLOYMENT INITIATIVE

I have been considering how best to take forward the broad agreement which we obtained at the recent Edinburgh Social Affairs Informal to our employment initiative. As you know, the Ministers present gave near total support both to the four main priorities in our Employment Growth paper and to our proposal that these should be embodied in a resolution of the Council to be adopted at the Social Affairs Council in December.

As far as the text of a resolution is concerned, my officials will be circulating very shortly to yours, and to those of other interested colleagues, a text which I have agreed. As you would expect, this is very close to the summary of proposals which appeared at the end of the Employment Growth paper. The advantage of this approach is that the resolution will be based on specific action points (to which to date very little opposition has been expressed in other Member States) which stand the greatest chance, in my view, of actually changing the Social Affairs Council agenda away from the kind of 'social engineering' type proposals which so dominated it in the past.

As far as our tactics from now on are concerned, I think that it remains of crucial importance to prevent this exercise from being identified as a purely UK initiative. Associating the Irish and Italians with the Employment Growth paper has certainly succeeded in this respect up to now and I think we should now take this a stage further. Beyond the Irish and the Italians the country which has shown the greatest enthusiasm for what we are attempting to do has been Denmark under their new Employment Minister, Dyremose. I have in mind therefore to ask him to table the resolution which we have

RESTRICTED



drafted. That would prevent the Commission from building up a head of steam against it - as there is some indication that they are already trying to do - on the grounds that it is simply a UK attempt to impose our own economic policies on the Community.

A further reason why I think it would be extremely valuable to involve the Danes in this way is that it would then tie them in to following up the action points in our resolution when they take over the Presidency next July. I do not hold out any great hopes that the intervening Belgian Presidency will pursue this energetically - their preoccupations in this area lie elsewhere but there is I believe a real prospect that the Danes will do so particularly if it is their own resolution that they are following up.

Obviously, much will depend on whether the Danes are willing to be associated with our initiative in this way and what changes they might ask to be made to our resolution as a quid pro quo. I have therefore asked my officials to go out to Copenhagen next week to explore these issues with their opposite numbers. But subject to a satisfactory outcome to these discussions, I would intend to proceed on the basis I have indicated. For our part, as Presidency, I would intend to make it clear that we have discussed this matter with the Danes and that they are tabling the resolution in agreement with us. I would expect the Danish Minister to explain that he has tabled a resolution after a discussion with me and as the next stage in taking forward our initiative.

I would be happy to have a word about this with you if you would wish. My tactics have been rather unorthodox throughout but they have worked so far. In my opinion it will only be possible to make lasting progress in this Council if we do try to break away from some of the procedural habits of the past!

I am copying this letter to the Prime Minister and Nigel Lawson; and to Sir Robert Armstrong and Sir David Hannay.

KENNETH CLARKE

RESTRICTED

