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## 10 DOWNING STREET

**LONDON SW1A 2AA** 

From the Private Secretary

19 November 1986

Dea Tim.

## LONDON EUROPEAN COUNCIL: 5-6 DECEMBER

The Prime Minister has seen the Trade and Industry Secretary's minute of 19 November in which he expresses the hope that there will be some reference in the conclusions of the European Council to the importance of ensuring that consumer interests are taken into account in the formulation of Community policies.

My letter of 14 November to Christopher Capella made clear that the Prime Minister did not want such a reference under the business and jobs item of the Council's conclusions. She is not averse to a brief reference to the consumer interest at some other point in the Council's conclusions, if one can be found.

I am copying this letter to the Private Secretary to the Paymaster-General, to the Private Secretaries to other members of OD(E) and to Sir Robert Armstrong.

CHARLES POWELL

Timothy Walker, Esq.,
Department of Trade and Industry.

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PRIME MINISTER

Rox you actually said was ter reference to consumer internes should not be in the Business and Jobs

LONDON EUROPEAN COUNCIL: 5-6 DECEMBER fremuchts

I have seen your Private Secretary's letter of 14 November to Kenneth Clarke's office about this. Unfortunately Kenneth COV Clarke's undated minuted which was sent to you on 13 November was not in fact copied to all members of OD(E) as it stated until yesterday.

Although I support what Kenneth Clarke says generally about deregulation, I have to say that it is misleading to describe as 'consumerism' the kind of reference to consumer issues which officials have been discussing for inclusion in the European Council conclusions. What I have in mind would be a fairly limited paragraph noting to the importance of ensuring that consumer interests are taken into account in the formulation of Community policies.

Such a reference would have two substantial advantages.

First, it should help with our overall objectives in other policy areas such as the CAP and transport where the consumer interest is largely ignored in Brussels. Secondly, the progress which Michael Howard has made in the Consumer Council towards a policy more related to actual consumer needs is a popular message to convey to ordinary people in this country. Drawing attention to it in the European Council conclusions would in practice also reinforce our efforts to move those in the European Commission responsible for consumer policy away from their regulatory approach. The conflict which Kenneth Clarke fears would be less likely to happen if we could secure agreement to suitable follow-up

JG3AFL

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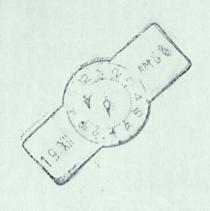
conclusions at the European Council. The draft which officials have been discussing seems to me to make it clear that our work on regulations and on consumer policy is pulling in the same direction. Endorsement in the European Council of the progress made on the latter subject would strengthen the overall message which we are trying to convey.

I very much hope therefore that you will reconsider the case for including a short reference to the consumer interest.

I am copying this to members of OD(E) and Sir Robert Armstrong.

PAUL CHANNON

Movember 1986



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