

cc AJC

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Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

From the Minister's Private Office

M Pattison Esq
Prime Minister's Office
10 Downing Street
London SW1

Prime Minister

Content?

MAR 4

4 May 1982/v

Yes mt

Dear Mike

COUNCIL OF AGRICULTURE MINISTERS: 28-30 APRIL 1982

I attach a copy of the statement which Mr Walker hopes to make in the House tomorrow. I would be grateful for immediate clearance.

I am copying this letter to Bernard Ingham; David Heyhoe (Leader of the House's Office); Murdo Maclean (Whip's Office, Commons); Michael Pownall (Whip's Office, Lords); David Wright (Cabinet Office); Keith Long (Chancellor of the Duchy of Lancaster's Office), and to private secretaries of the other Agriculture Ministers and members of the OD(E).

Yours sincerely

Robert Lawson

ROBERT LOWSON
Private Secretary

COUNCIL OF AGRICULTURE MINISTERS MEETING ON 28 TO 30 APRIL

DRAFT STATEMENT

With permission, Mr Speaker, I should like to make a statement to the House about the Council of Agriculture Ministers meeting in Luxembourg on 28 to 30 April.

The discussions took place on proposals made by the Presidency on a number of major aspects of the 1982/83 price fixing where there were substantial disagreements.

For milk, we secured a $\frac{1}{2}$ per cent reduction in the coresponsibility levy which will save UK producers some £10 million per annum.

The Commission's proposal to reduce the basic rate of coresponsibility levy in favour of small producers has been dropped as a result of our strong opposition supported by Denmark and the Netherlands. Instead, a sum of 120 MECU will be distributed among Member States to be made available to small milk producers on a basis to be agreed between the Member State and the Commission. This means that we have been wholly successful in our demand that there should be no changes in the market regime that discriminate according to the size of the producer.

/Considerable progress ...

Considerable progress was also made towards a major reform of the wine regime, including obligatory early season distillation at a low price in years of heavy surplus.

The Presidency proposals recommended revaluations of the green currencies of Germany and Holland but no revaluation of the green pound.

So far, therefore, in the negotiations to date we have succeeded in retaining our butter subsidy virtually unchanged, in improving school milk arrangements, in retaining the variable beef premium scheme, in rejecting the Commission's proposals for a 4.4 per cent revaluation of the green pound, and in obtaining a reduction in the coresponsibility levy.

The proposals under discussion in the main retain the Commission's compromise proposals on prices submitted on 1 April, apart from a further 1 per cent on minimum quality breadmaking wheat and an extra $\frac{1}{2}$ per cent for other cereals, rapeseed and sugar.

/There was no ...

There was no overall agreement at the meeting. In addition to specific reserves on parts of the package the United Kingdom retained an overall reserve until the implications for the Community budget are made clear and until there is agreement upon the United Kingdom's net contribution to that budget. Greece also obtained a total reserve and Ireland and Italy retained a number of specific reserves.

The marketing years for the commodities immediately affected were extended until mid-night on 16 May.

The Council will be meeting again on the 10 - 11 May to continue the negotiations.



Two per

10 DOWNING STREET

From the Private Secretary

5 May, 1982.

Council of Agriculture Ministers:
28-30 April 1982

I write to confirm that the Prime Minister was content with the draft statement circulated under cover of your letter of 4 May. I understand that this will now be given in the form of a Written Answer.

M. A. PATTISON

Robert Lawson, Esq.,
Ministry of Agriculture, Fisheries and Food.

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	Sales/Head £
Ordnance, Small Arms and Explosives	22,000
Instrument Engineering	13,000
Radio and Electronic components	} 17,000
Radio, radar and electronic capital goods	
Shipbuilding and Marine Engineering	13,000
Aerospace equipment	21,000

We also estimate that for the United Kingdom defence industries as a whole, average sales per employee were £18,000. In these statistics it is not possible to distinguish civil from military sales—or, in the case of military sales, to distinguish export sales from sales to Her Majesty's Government.

AGRICULTURE, FISHERIES AND FOOD

Royal Botanic Gardens, Kew

47. **Sir Anthony Royle** asked the Minister of Agriculture, Fisheries and Food if he will consult with the hon. Member for Richmond during his consideration of action in respect of the new arrangements for the administration of the Royal Botanic Gardens in Kew.

Mr. Peter Walker: I invite my hon. Friend to send me his views about the proposed new arrangements. As I announced in my reply to him on 21 April, my officials are at present conducting consultations, and I am arranging for my hon. Friend to receive a copy of the letter sent to interested organisations.

Fishing Industry (Aid)

Mr. McQuarrie asked the Minister of Agriculture, Fisheries and Food when he expects to announce his decision on the application by the fishing industry for further cash aid in the light of the submissions which have been made to him by that industry.

Mr. Buchanan-Smith: I refer my hon. Friend to the answer I gave on 26 April to the hon. Member for Grimsby (Mr. Mitchell).—[Vol. 22, c. 181.]

Council of Agriculture Ministers

Mr. Peter Mills asked the Minister of Agriculture, Fisheries and Food what was the outcome of the Council of Agriculture Ministers meeting in Luxembourg on 28 to 30 April; and if he will make a statement.

Mr. Peter Walker: The discussions took place on proposals made by the Presidency on a number of major aspects of the 1982-83 price fixing where there were substantial disagreements.

For milk, we secured a ½ per cent. reduction in the coresponsibility levy, which will save United Kingdom producers some £10 million per annum.

The Commission's proposal to reduce the basic rate of coresponsibility levy in favour of small producers has been dropped as a result of our strong opposition supported by Denmark and the Netherlands. Instead, a sum of 120 MECU will be distributed among member States to be made available to small milk producers on a basis to be agreed between the member State and the Commission. This means that we have been wholly successful in our demand that there should be no changes in the market regime that discriminate according to the size of the producer.

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The proposals under discussion in the main retain the Commission's compromise proposals on prices submitted on 1 April, apart from a further 1 per cent. on minimum quality breadmaking wheat and an extra ½ per cent. for other cereals, rape seed and sugar.

There was no other overall agreement at the meeting. In addition to specific reserves on parts of the package the United Kingdom retained an overall reserve until the implications for the Community budget are made clear and until there is agreement on other aspects of the 30 May mandate. Greece also maintained a total reserve and Ireland and Italy retained a number of specific reserves.

The marketing years for the commodities immediately affected were extended until mid-night on 16 May.

The Council will be meeting again on the 10-11 May to continue the negotiations.

Food and Drink Labelling Regulations

Mr. Michael Morris asked the Minister of Agriculture, Fisheries and Food what is his policy towards implementing the proposed European Economic Community food and drink labelling regulations.

Mr. Peter Walker: I have received representations from manufacturers and retailers about possible difficulties in the implementation by 1 January 1983 of the Food Labelling Regulations 1980, which implement the European Community Food Labelling Directive (79/112/EEC). I have written to the European Commission asking how it intends to deal with the problem of ensuring that all member States comply with the directive by a common date, and I shall decide what further action is needed in the light of the Commission's reply.

Agricultural Land

Mr. Peter Mills asked the Minister of Agriculture, Fisheries and Food what is the policy of Her Majesty's Government towards protecting the stock of good quality agricultural land.

Mr. Peter Walker: The protection and improvement of good quality agricultural land in the United Kingdom is an important part of Government policy, to which I attach the greatest significance. While we must realistically accept that there will be legitimate competing demands for development, recreation and conservation, a balance has to be struck which adequately protects agriculture. Good quality land is a scarce resource and its availability is vital to the capacity of the agricultural industry to maintain and improve its competitive position and enable it to make its essential contribution to the provision of the nation's food supply.