Prime Minister

EUROPEAN COMMUNITY: TRANSPORT ISSUES

On the face of it, the Transport Council which I attended on Tuesday of this week achieved little. The key issues - lorry weights and dimensions, Community aid to transport infrastructure and liberalisation of road transport - have been carried forward into the French Presidency. But we are now comfortably placed on all of these issues and it is others who are seen to be blocking progress.

I see a prospect of considerable advance in the next six months if we keep up this pressure. I believe that my German colleague Dr Dollinger, is aware of the inconsistency between the liberal approach of the Federal Republic to economic issues generally and their highly restrictive transport policies. If we can now apply pressure at the Chancellor's level and at the same time give Dr Dollinger some evidence of harmonization, such as the modest advance on vehicle weights and dimensions - blocked by the Italians on Tuesday - I believe the Germans would be prepared to move a considerable way.

For their own reasons, not least the wish to have a successful Presidency, the French, too, are showing signs of flexibility.

I have already arranged to meet my French colleague in February. I will take an early opportunity to meet Dr Dollinger also.

There was no opportunity to discuss transport matters at the European Council earlier this month. But I hope you will be prepared to raise this at the next Council in March if time can be found. If you agree, I will do my best in bilateral contacts between now and then to prepare the ground for agreement on a substantial advance which could make a

positive contribution to breaking out of the general impasse in which we now find ourselves on Community matters.

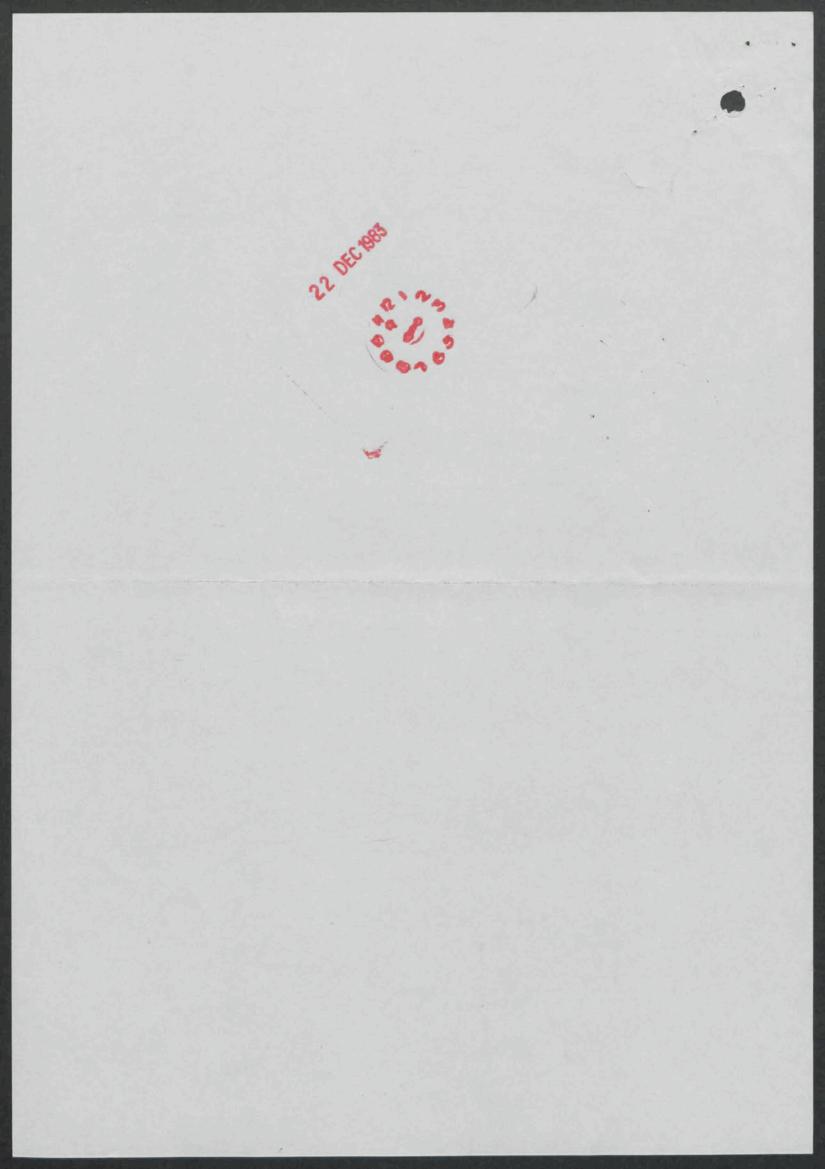
I am also working hard on the liberalisation of European air fares, and hope to have some progress to report before March.

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

s.R.

NICHOLAS RIDLEY

December 1983



CF: Await response from FCO DNB MR BARCLAY - 10 Downing Street cc: Sir Robert Armstrong EUROPEAN COMMUNITY: TRANSPORT ISSUES You asked about the issues covered in the Secretary of State for Transport's minute of today to the Prime Minister. I would draw attention to these points:-(1) We have consistently demanded in the discussion of "other polices" in the post-Stuttgart negotiations that there should be liberalisation of lorry quotas. This is an excellent example of useful action within the Community which does not cost the budget anything. We shall continue to press this in the discussions up to and including the next European Council. We agree with the Secretary of State for Transport that the chances of at least some greater liberalisation are improving. (2) The Germans have been opponents of liberalisation of lorry quotas, maintaining that the conditions of competition are disturbed by other factors. We see no difficulty about trying to persuade the German Minister, Dr Dollinger, that there is a reasonable harmonisation of vehicle lengths and dimensions in prospect. The Prime Minister will recall, however, the political sensitivity of lorry weights and it is extremely important that the discussion should not be taken to imply any weakening of our own resolve to maintain the United Kingdom lower weight limit for lorries. De William. D F WILLIAMSON 23 December 1983

29 DECIDADA contain the contractions of Dissipate vision of the



23 December 1983

European Community: Transport Issues

The Foreign Secretary will have received a copy of the Secretary of State for Transport's minute to the Prime Minister about transport issues in the European Community.

In considering this minute, I am sure the Prime Minister will be grateful for any advice that the Foreign Secretary may care to offer.

I am sending a copy of this letter to Richard Hatfield (Cabinet Office).

David Barclay

Roger Bone Esq Foreign and Commonwealth Office.

131