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AGRICULTURE COMMITTEE

The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
LONDON

AG 13/4
h.a.

11 April 1984

Sean Prime Minister,

EC 1984-85 FARM PRICE AGREEMENT AND RELATED MEASURES

I am writing to direct your attention to a matter of crucial significance for Northern Ireland agriculture. The Agriculture Committee of the Northern Ireland Assembly has been considering the impact of the recent EC farm price agreement and has heard evidence from those bodies most directly involved. In the course of its enquiry it has become clear to the Committee that there is a sincerely held feeling throughout the industry that Northern Ireland has been disadvantaged vis-a-vis the Irish Republic as a result of the EC agreement. It is also clear that the predominant feeling in the agricultural community is that this was perhaps, an unintentional outcome of complex and protracted negotiations.

On milk, as I know you are aware, both Northern Ireland and the Republic of Ireland were granted an addition to quota of approximately 4.5 per cent. The difference is that the addition will be made to a 1983 base in the Republic and, it seems, to a 1981 base in Northern Ireland. This means in effect that Northern Ireland milk producers must cut 1983 production levels by about 5 per cent whereas their competitors in the Republic may increase production by 4.5 per cent.

On beef, the resources available in both Northern Ireland and in the Republic have been reduced; and both countries will be competing for a share of weakened GB and European markets. The Committee was heartened by the Government's success in protecting the UK beef variable premium against the attack launched on it by the Irish Republic: it is therefore difficult to accept that the premium will still be paid on Irish beef sold on the GB market.

The total loss of income to the milk and beef sectors of the Northern Ireland agricultural industry is now estimated at approximately £25 m and this is thought to be an unnecessarily severe blow. I have today written to the Secretary of State for Northern Ireland requesting him to arrange an immediate meeting at which the Minister of Agriculture Fisheries and Food would be present. The objective of that meeting would be to clarify the exact position and to attempt to identify measures to offset the disadvantage of the agriculture industry in the Province.



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I feel confident that with the advantage of full and frank discussions on the local situation it should be possible to devise remedial action within the United Kingdom to reduce the competitive edge gained by the Irish Republic in the recent negotiations.

I am copying this letter for information to your colleagues Jim Prior and Michael Jopling.

Yours sincerely

A handwritten signature in black ink, appearing to read "Ian Paisley".

REV DR I R K PAISLEY MP
Chairman

Hidden cc P/S Prime Minister
P/S Secretary of State
P/S Mr Jopling
P/S Mr Butler
Mr Jack
Mr Kennedy
Mr Wolstencroft
Mr Carvill