

Prime Minister

Your Press Conference

£ 1000 -

[70 - over 7 years.

£10 - a year [9.6.]

- I have arranged for you to give a press conference in one of the conference rooms on the first floor as soon as convenient for you at the end of the Council.

- BBC, ITN and IRN have asked for the usual short interviews afterwards. These will be done in a corner of the same conference room.

- Your press conference will be relayed by COI to journalists in London.

- Their interest will focus on

- the outcome of IMPs/enlargement
- your war on red tape (why aim for a 33% cut?)
- your meeting with Dr Fitzgerald (on which I agreed it lasted just over half an hour and was a very good discussion; no date for a Summit was fixed but I have consistently suggested it would not be before the middle of the year; the Irish are aware of all this and are content).

No. - SDI research (any role for the Commission?)

- It is also conceivable that they will ask questions about

- soccer hooliganism (in advance of your meeting with the FA) especially in view of Scottish over-reaction to the change of venue of the Scotland v England international.
- the threat of a strike over closures by NACODS (The NCB is quoted today as saying NACODS has misinterpreted its letter and that its agreement with NACODS is sacrosanct.
- any pressure for economic sanctions against South Africa?

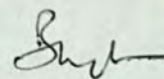
Not

Substance

Depending on the outcome of IMPs, I think you need to do three things:

- welcome enlargement -
- present the meeting as another one in which progress was made (thereby underlining the point that the Community is a much better place post Fontainebleau, as we said it would be).
- give an account, in your own words, of your war on red tape (though we need new language to lift it - and the draft opening statement, attached, tries to provide that).

Christopher Meyer and I in briefing this morning have outlined the texts that are in course of preparation.



B Ingham



Draft Statement - Press Conference March 30, 1985

This Council got off to the best possible start by the completion of enlargement negotiations by Foreign Ministers.

I would like to add my congratulations to all of them, and not least to M. Andreotti for his leadership, for bringing the negotiations to a successful conclusion.

① We now look forward to the accession of Spain and Portugal next year - a very considerable development for the Community and of the democratic unity in Europe.

② I am pleased to say we have also reached a settlement of Integrated Mediterranean Programmes.

*The last obstacle to a German Position in the Council on*  
*own know*  
We can now look forward to a serious discussion of the future development of the Community in Milan in June in the light of the Dooge Committee and ~~People's Europe Reports~~.

Needless to say we in the UK are enthusiasts for the completion of the Common Market and we shall be working hard for that.

We also had a very useful discussion about the blot on Europe of unemployment and its causes.

I have been greatly encouraged by my colleagues' response to my proposal for an attack on unnecessary burdens on industry and commerce, and especially on small firms.

M. Delors felt we could learn something from the United States' ability to create new jobs - 7m since 1982, and 2/3 of them in firms employing under 50 people.

I am sure we can.

We must, of course, keep a tight hold on, and drive down, inflation. We must also keep public expenditure in check and halt its growth.

And we must also strengthen our technological base and improve our training for work.



E. R.

But we can do more and I have suggested two areas for action which you will find incorporated in the Communique:

- an attack on rules and regulations which tie small firms up in knots of red tape and put a heavy burden on the resources and time of even larger firms. I have suggested an ambitious target - a cut of 1/3 in their volume.
- to make for a more flexible and less rigid labour market so that employing people is made easier and less costly.

My essential point is that we should not only try to slash red tape and free up the labour market; but that we should also ask ourselves, every time we are tempted to legislate, whether we should be strangling instead of creating jobs.

{ We have got to let ~~businesses breathe~~ if we are to breathe more life and work - and that means jobs - into our economies. }

The Communique charges the Commission with coming up with a programme in both the action areas I put forward.

Finally, we have produced a number of conclusions on political and international issues, including East West relations, the Middle East, Latin America, South Africa and famine in the world where our main concern is to improve the effectiveness of the relief work we have already set in hand.

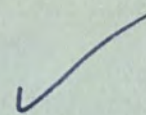
~~Altogether a busy and useful Council. I hope it will prove to have been a good weekend's work, especially on behalf of the unemployed.~~

As / as 25 summary herein



1 RN





FUTURE OF COMMUNITY (DOOGE COMMITTEE)

- Committee's report shows a good many areas of agreement.
  - emphasis on need to create genuine internal market by the end of the decade;
  - good text on development of political cooperation;
  - support passages on defence and security;
  - endorsement of UK suggestion of one Commissioner per Member State;
  - emphasis on strategic role of European Council.Should not take on role of Foreign Affairs Council.
  
- All concerned to ensure that the Community functions effectively after enlargement.
  
- Time for decisions will be in June. We should aim to reach substantive agreement on what to do and announce it then.
  
- This will require consultations between governments.  
Presidency should play an important role in these. Need also for discussion at next informal meeting of Foreign Ministers.
  
- As necessary
  - Dooge Committee not appropriate to carry out this work. Essential now for member governments, with good offices of Presidency, to discuss how to take matters forward.





- our aim should be to reach substantive decisions on the matters on which we can agree at the European Council in June





As necessary

Decision-taking

- General agreement that in enlarged Community there will need to be more majority voting in order to speed decision-taking.
- Need to move away from practice of seeking consensus in every case, however unimportant.
- Not clear why Council has not been voting on non-vital issues.

*[Not been using treaty provisions for majority voting]*

①

Quite wrong, and contrary to the interests of the Community, to vote a Member State down when very important national interest is at stake.

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We must recognise the political reality: do not believe that any Member State is prepared to be voted down when very important national interests are at stake.

- Equally wrong to invoke a very important interest unless it can really be justified.
- Suggest we proceed to make the Community work better in practice rather than embark on long drawn out discussion of Treaty amendment.
- I suggested at Dublin a self-denying ordinance for action under Article 100 on standards for new products and new technologies.
- Can consider abstention in other cases.
- Let's get down to making the Community work better in advance of enlargement.
- This year is the time to reach decisions.





As necessary

Where the Treaty prescribes unanimity, it did so for very good reasons. Are others suggesting we should change the unanimity requirements in the Treaty on

- the seat of the institutions (Article 216)
- Treaty amendment (Article 236)
- uniform electoral procedure (Article 138)
- own resources (Article 201)
- new accessions (Article 237)
- size of the Commission (Article 157)
- capital movements between member states and third countries  
(Article 70)
- harmonisation of indirect taxation (Article 99)
- common economic policy measures (Article 103(2))
- Community languages (Article 217)
- new powers (Article 235)
- association agreements with third countries (Article 238)





As necessary

We all want to see something practical come of all this work. Many of the problems we face now stem not from imperfections of the Treaty, but from the fact that it has not been implemented. The most effective means of promoting a more united Europe would be to make a reality of the Treaty of Rome by implementing key provisions of the Treaty.

Examples of key articles of the Treaty not implemented

Article 3 of the Treaty, which called for the establishment of the Common Agricultural Policy, provides also for the abolition of obstacles between Member States to the free movement of persons, services and capital and the adoption of a common transport policy.

Article 52 calls for the abolition of restrictions on the ability of any company in a Member State to establish branches or subsidiaries in another Member State. Article 59 states that restrictions on freedom to provide services shall be abolished. Article 67 provides for the abolition of restrictions on the free movement of capital. Article 75 provides for the adoption of a common transport policy.

None of these articles has been implemented. Until they are, the Community will never realise its full potential for the creation of wealth and employment; nor will it be able to match the economic performance of the United States or Japan.





As necessary

European Parliament

- European Parliament should be encouraged to make more constructive use of its powers.
- Should make more use of its right to put forward proposals for Community action.
- There should be improvement and extension of conciliation procedure. At present it simply does not function. What is needed is for Ministers to hear the Parliament's views before they reach common positions. Once they have done so, much more difficult to take account of points the Parliament have made.
- Council should follow up EP resolutions with the Parliament - or explain its reasons for not doing so.

As necessary

- Do not agree on proposal for joint decision taking:
  - recipe for greater inter-institutional conflict;
  - would slow down decision taking;
  - would not stop Parliament asking for more powers;
  - Council must keep the last word on legislation which has to be designed to fit in with national legislation;
  - does not make sense to give EP responsibility over revenue;
  - should not upset balance between institutions.

Their Objectives

- To press for early decision to convene an inter-governmental conference.

Arguments

- Agenda too crowded today to discuss report in detail now. Time needed for reflection. Issues are too important to be rushed.





- Not prepared to agree to an inter-governmental conference until we have a clearer idea of what we want to achieve. Failed or confused conference would be a major set-back.
  
- [If appropriate] Treaty amendment not necessary. There are quicker ways of achieving what we want (ie immediate implementation of existing provisions).
  
- All recognise that we have fallen well short of completing Community envisaged in the Treaties. Dooge Committee majority hope to overcome this by institutional means. Legitimate aspiration but will it work?
  
- Real problem is lack of political will to break down remaining barriers. Need to commit ourselves to do this on basis of firm timetable.
  
- Should not fall into trap of grasping at Treaty change as easier option than real progress under Treaty of Rome.



1) DELORS SPEECH TO EUROPEAN PARLIAMENT ON 15 JANUARY

conscience, that will tell you how far you can go without overstepping the mark. And when you do I will tell you. But I still believe that your election by direct universal suffrage should be seen in terms of the birth pangs of democratic life with a European dimension. And it is precisely this that will give Europeans a taste for encouraging, living and building Europe. It cannot be otherwise. That is the lesson I learnt last summer.

You have asked me four questions. Let me answer them.

Firstly, the Commission will send all its proposals to Parliament in due and proper form.

Secondly, the Commission will give every consideration to your amendments, but it is not prepared to give you a blank cheque. If we do not agree with your amendments we will give you valid reasons, in committee or in plenary session.

Thirdly, in the event of a dispute arising, as I said yesterday, not from confrontation of susceptibilities but from a genuine difference of opinion over the course to be taken, with that purposeful, dialectic tension between governments, which watch over national interests, and the institutions, which watch over the Community's interests—and that's where our responsibility lies—I will instigate fresh discussion, further debate in Parliament.

Fourthly, any proposal that is too watered-down will be withdrawn, but not before it has been discussed. And we will keep the public informed, for it would be all too easy for an institution to let a proposal hang fire for six months and then say that the others would have withdrawn it anyway. Withdrawal is a two-edged weapon, as you well know.

I would like to make a suggestion, if I may. Why don't you, with the approval of your enlarged Bureau, let's say twice a year,

choose a subject which you, rather than the Commission, would begin to study. Why don't you conduct the necessary hearings—if it is a difficult subject it will entail consulting partners, eminent specialists—and prepare a resolution as a basis for us to work on.

I think that if we could get an arrangement of this kind going, there would be better understanding, more scope for cooperation between our two institutions.

We wouldn't be climbing alone; you would be with us, at least for that project.

### Beyond the Treaty of Rome

Let us assume that our 10 countries agree on a new treaty. Let us assume, to simplify matters, that this new treaty encompasses the old one.

You can see the problems already. Some favour a small treaty within the present one; others want a separate treaty; still others want a totally new treaty. Let me make a simple assumption, say, by some miracle, that an intergovernmental conference is convened in June 1986 and agrees on a new treaty to supersede the old one. When would this new treaty come into force? Three years later at the earliest. So what do we do for those three years? Do we meet to polish up the draft? To improve it? Or do we do nothing at all? If we twiddle our thumbs for three years, do you think the general public and our governments will have the heart to vote for the new draft? I think that the point is a valid one. We have to find the happy mean. There is no need to abandon 'the great beyond' but we must go on working here and now within the existing Treaty, all of the Treaty.

### Communications

If we are to get this across to the general public we will need to improve communications. I have already suggested, without