

PRIME MINISTER

This agreement is a special case under the EEC Treaty. It is a bilateral agreement.

UK/Australia Safeguards Agreement

P.A. 4/7

We have made arrangements for you to speak to Mr. Jenkins about the UK/Australia Safeguards Agreement at 7 p.m. this evening.

When I was speaking to Mr. Jenkins' office Mr Tickell, Mr. Jenkins' Chief de Cabinet, told me that Mr. Jenkins was very anxious that the Commission should give the green light to the UK/Australian Agreement. Their concern, however, was that such an agreement would allow other members of the Community to enter into bilateral arrangements which they would describe as provisional pending the approval of a mandate for the ~~European~~ ^{European} Agreement but which would in practice be permanent. When such agreements were eventually taken to the European Court, it was likely that the finding would be that the Commission ^{had} acted illegally in originally approving the UK/Australian Agreement. Mr. Jenkins was likely to take the line that the one way of getting over this difficulty was to make the UK/Australian Agreement manifestly provisional by including in it a time limit. This suggests that although you will no doubt wish at the start of your conversation with Mr. Jenkins to press him to seek to obtain acceptance for the agreement as it stands, you may need to move to the fall back position and offer to explore the possibility of an exchange of letters between the UK and Australian Governments undertaking to review the agreement before the end of 1982.

*John is well
and he is
writing you
- should be
- in letter.*

JMS.

3 July 1979

I attach a note from the Department of Energy giving some further information about the UK/Australian Agreement.

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