Euro Po) 5pt 10 DOWNING STREET From the Private Secretary 23 April 1980 Lew Owid The Minister of Agriculture telephoned the Prime Minister from Brussels at 3.30 p.m. this afternoon. He explained that President Giscard had today put out a statement to the effect that the Agriculture Ministers would have to make substantial progress towards an agreement on farm prices at their present meeting if there was to be any progress at the next European Council on Britain's budget contribution. Mr. Walker sought the Prime Minister's confirmation that he should maintain a robust line on farm prices despite this renewed threat of linkage from the French. The Prime Minister had not seen President Giscard's statement, nor was she aware of the precise form of the farm price proposals as they are now being discussed in Brussels, but she confirmed that she would wish Mr. Walker to maintain a robust line and not to be blackmailed into changing his position. I am sending copies of this letter to Paul Lever (Foreign and Commonwealth Office), John Wiggins (HM Treasury) and David Wright (Cabinet Office). Yours ever Make Pathern David Jones, Esq., Ministry of Agriculture, Fisheries and Food. CONFIDENTIAL