



PRIME MINISTER
PM/79/48

Prime Minister
Mr. Walker is meeting Mr. Gurdahan tomorrow (7 June) at noon. Are you content that he should give him an indication of our thinking, on these lines? Or would you prefer to discuss first?

Common Fisheries Policy

1. I have discussed with Peter Walker and Ian Gilmour the proposals on the Common Fisheries Policy set out in Peter Walker's minute of 24 May.

[below]

2. We agreed that our negotiating leverage on this issue is likely only to deteriorate as time goes on. Our position, in both practical and legal terms, is much less strong than I, at any rate, had previously anticipated. It is likely that, if we do not reach agreement with our EEC partners soon, we shall be faced with adverse judgements from the European Court on the conservation measures which our predecessors took last year. Since the Court's rulings are binding, our ability to sustain a sensible conservation regime both in our own waters and those of the Community as a whole would thus be greatly reduced. Moreover, if the dispute drags on until 1982 our fishermen will be exposed to full competition from the rest of the Community without any degree of preferential access whatever. Spanish entry can only make things more difficult.

No |

3. I therefore firmly endorse Peter Walker's recommendation that we should seek a settlement on the CFP within the next few months.

No |

4. As to the detailed content of a possible settlement, I believe that Peter Walker's proposals are along the right lines. Our Community partners can probably be persuaded to offer us satisfactory and, I would hope, enforceable overall quotas and to accept the case for access arrangements reflecting the needs of local fishermen in communities dependent on fishing. This approach is, I recognise, geared more to the needs of the Scottish fishing interests than to those of Humberside. But it ought still to be possible to secure for our fishermen overall, including those of the deep-sea trawling industry, an acceptable total share of the Community's catch; and thus to achieve a settlement consistent with the aims of our statement on fishing policy of 26 April. We must, however, be prepared to face the fact that no settlement which we may hope to achieve with our Community partners is likely to be welcomed on

/Humberside



Humberside and that some considerable restructuring of our deep-sea fishing industry will be necessary. We may reasonably hope for Community financial assistance in providing this, though we shall have to be prepared to pay something out of our own national resources as well.

No
No

5. If you can agree to an approach along the lines of Peter Walker's minute, I would propose that he gives Mr Gundelach, the Commissioner responsible for fisheries policy, who is likely to be broadly sympathetic to such a settlement, an indication of the way we are thinking in the expectation that the Commission would be willing to table suitable proposals for discussion in the Fisheries Council. It would also be open to you to indicate, at the European Council on 21/22 June, that you hope a settlement of the fisheries problem could soon be found. If all goes well we might expect a final settlement at or before the next European Council meeting in November.

These are
concerns
to every thing
in this
minute.
mi.

6. We must remember our pledges But Peter Walker and I both believe that, difficult though it is, this compromise could be made acceptable. I recognise that these proposals fall short of what we would like and have difficult political implications. But in practical terms the alternatives seem to be worse. From the point of view of our fishermen such an agreement would be an end to crippling uncertainty and for some give most of what they want.

7. You might find a brief discussion useful. Peter Walker, Ian Gilmour and I would welcome this. Peter Walker has, I understand, kept George Younger fully informed of what he has in mind.

8. I am sending copies of this minute to Peter Walker and Ian Gilmour.

Foreign & Commonwealth Office

5 June 1979

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(CARRINGTON)