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PRIME MINISTER

Licences for Spanish Fishermen

A problem has arisen between us and the Spanish Government about the issue of fishing licences to Spanish fishermen. You will wish to see the attached record of a conversation between Mr. Walker and the Spanish Ambassador.

Senor Alberto Aza, the Secretary of the Spanish Cabinet and Private Secretary to Senor Suarez the Spanish Prime Minister, rang me this afternoon on the problem. He said that Senor Suarez would have rung you himself were it not that he speaks no English. Senor Aza said that Senor Suarez wanted you to be aware of the great importance he attached to the demarche made by the Spanish Ambassador. He was anxious that you should take into account the major political problem which this issue posed for the Spanish Government. Among the areas most affected by the licensing problem were the Basque provinces where new elections were pending. If the Spaniards did not get a reasonable number of licences the outcome of the election would be affected.

I told Senor Aza that I would of course report his call to you. I added that I knew the difficulty had arisen because of pressures on our own fishing industry were no less severe than those on the Spanish industry. I said that I was sure that you would wish to reply and that I would arrange for a message to be forwarded to our Embassy in Madrid.

If you agree I will have the drafting of such a message put in hand.

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for fishermen
and*

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28 January 1980

MINISTER'S MEETING WITH THE SPANISH AMBASSADOR - 25 JANUARY 1980

The Minister of State (Commons) and I were present when the Spanish Ambassador called on the Minister this morning.

The Ambassador said that licences to fish in Community waters were of great importance to Spain. The Spanish Prime Minister was attempting to telephone the French Prime Minister and would be prepared to speak to the British Prime Minister about it. However, as he did not speak English, it might be more useful for the Spanish Minister for European Relations, Senor Sotelo, to visit the British Minister of Agriculture, Fisheries and Food.

The Ambassador pointed out that Basque terrorists were stepping up their activities ahead of the Spanish Election in March. The issue of fishing was involved to an extent disproportionate to its real importance. Spain had asked for 200 fishing licences from the EEC and would accept 180. However, it would be politically dangerous for Spain to accept many fewer than 180.

The Minister replied that fishing was of immense political importance to the United Kingdom too. The loss of Icelandic waters and the disappearance of traditional stocks such as the herring had dealt severe blows to the British fishing fleet, large parts of which were now laid up in our major ports. The United Kingdom Government was having to apply quota restrictions to what was left of the fishing fleet. In Scotland, the fishing communities were of critical importance in marginal constituencies. The Prime Minister herself had given categorical pledges to the fishing industry in the last Election campaign. The Minister was under instructions to safeguard what was left of the British fishing fleet.

The Minister explained that the EEC understood the significance of fishing to Spain. It was disposed to be friendly towards Spain. However, he could not tell British fishermen that they were to suffer a larger percentage cut in their effort than Spain. The desperation of the British fishermen had reached the point where blockades of North Sea oil rigs were threatened. Last year, catches had fallen by 17%, costs (mainly fuel) had increased by 30% with prices increasing by only 2%. Many of the fishermen were near to bankruptcy and their anger was almost at boiling point. There were very strong emotional pressures on the Government because the industry was in such a bad financial state.

The Minister of State emphasised that the United Kingdom Government could not concede more to Spain than it was prepared to allow its own fishermen. The reduction in the total allowable catch (TAC) of hake was similar to the cuts in the TACs of stocks important to us. The British fishing industry would not tolerate an exception for hake.

The Ambassador took note of these points, but asked whether the Spanish Prime Minister should telephone the British Prime Minister. Perhaps the British Prime Minister did not understand the importance of fish to Spain. He understood the problems facing the United Kingdom Government and asked it to understand those facing the Spanish Government.

The Minister said that the Spanish Prime Minister would find that the British Prime Minister would take a hard line on this issue. British Ministers understood the difficulties of the Spanish Government. If they did not, they would not agree to the issue of any licences at all to Spain. It was, however, impossible for the British Government to make further concessions to Spain. Besides, Spanish fishermen had a bad reputation throughout Europe for breaking fishing rules. He understood that the Spanish Government was beginning to take tough measures but, for the moment, the reputation of Spanish fishermen remained poor.

The Minister of State said that British Ministers had examined the suggestion made by the Spanish Minister of Agriculture the previous week that control over fishing effort could be exercised through mesh size measures. They had, however, concluded that such methods were unenforceable. The United Kingdom Government appreciated that hake was not a fish of direct interest to British fishermen, but large by-catches of fish important to British fishermen were associated with the hake fishery. Any increase in the hake catch would therefore affect species of interest to British fishermen.

The Ambassador asked whether temporary arrangements could be made for this year to cover the needs of the Basque country and Galicia in the Spanish Election. The Minister replied that he was not unsympathetic, but that the issue was very important to the United Kingdom. A dangerous point had been reached when fishermen threatened to blockade the oil rigs; and British fishermen were very sensitive to agreements that gave concessions to third countries.

As for the possibility of some token reduction below 180 licences, the Minister promised to do as much as he could, but warned that he could not risk what was politically impossible. He urged that the leaders of the Spanish fishing industry should meet and talk to their British counterparts so as to dissipate the atmosphere of hostility. Such moves had been successful in dispelling the suspicions of Danish and British fishermen. The Minister promised to take the initiative in inviting Spanish fishermen to the United Kingdom. The Ambassador offered to help to organise reciprocal visits.

The Minister promised to convey to the Prime Minister the message that the Spanish Prime Minister wished to speak to her. He suggested that the Spanish Minister, Senor Sotelo, might speak to the Foreign and Commonwealth Secretary. He repeated

that the United Kingdom would be prepared to go as far as possible to assist Spain consistent with retaining the confidence of our own fishermen. It was no so much that Britain contributed the largest share of EEC waters, as that the restrictions and decreasing stocks and low prices had produced real trouble amongst the fishermen. They knew that the Government was unlikely to offer financial assistance and were therefore running scared. The younger fishermen who had invested heavily in equipment were those who were suffering most, while their leaders tended to be older men.

G R Waters

G R WATERS
Principal Private Secretary
25 January 1980

Mr Packer + 1

cc Miss Rabagliati
Mr Steel
Mr Sadowski
Mrs Brock
Mr Moss
Mr Kelsey
PS/SOSFA
PS Lord Privy Seal
PS/SS Scotland
PS/SS Wales
PS/SS Northern Ireland
Mr Alexander - 10 Downing Street ✓
PS Cabinet Secretary
Mr Andrews
Mr Ring

28 JAN 1980

