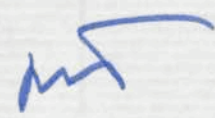


PRIME MINISTER



I attach Mr Walker's statement on the Agriculture Ministers Council.

The House was in no mood to concentrate on this. Norman Buchanan even suggested a moratorium at Questions in return for an undertaking that the House would have a further chance to debate the issues before the agriculture price fixing was concluded.

Mr Walker pointed out that there had been a debate within the last week, that he had kept the House fully informed and that the possibility of a deal on 20/21 April depended essentially on the Mandate issues.

As a result, there was some desultory questioning, but none worthy of recording.

M. A. PATTISON

5 April, 1982

AGRICULTURE COUNCIL - 31 MARCH AND 1/2 APRIL 1982

DRAFT PARLIAMENTARY STATEMENT

With permission, Mr Speaker, I should like to make a statement on the Council of Agriculture Ministers' meeting in Brussels on 31 March and 1 and 2 April.

The Commission made a compromise proposal on the 1982 price package. After a long and detailed discussion no agreement was reached. Following pressure from the United Kingdom, I was glad to see included in the package the virtual restoration of the butter subsidy and an improved provision for school milk. There were demands by many member states for higher price increases than those proposed. The United Kingdom opposed further price increases, though Germany and the Netherlands supported us on a number of commodities. We gathered good support for our fierce opposition to the coresponsibility levy on milk with lower rates for small producers, and for our view that we should have freedom as to whether and when there should be any revaluation of the Green Pound. It was recognised that further consideration was required, and the Council will resume its deliberations in Luxembourg on 20 to 22 April.

In order to allow the Danish Government to continue its policy of having no MCA's, a devaluation of the Danish green krone of 1.8 percentage points was agreed, subject in some cases to reference to capitals.

The current marketing years for milk, beef, sheepmeat and dried fodder were extended until 26 April.