



PM/84/8

PRIME MINISTERPrime Minister.

Agree that all British Ministers concerned should press for progress towards transport liberalisation between now and the European Council?

Yes

A.F.C. 10/1

European Community: Transport Issues

1. I have seen Nicholas Ridley's helpful report on the outcome of the 20 December Transport Council, and on prospects for progress in this important area of Community business before the European Council of 19/20 March. I am glad to see that we managed to take a broadly constructive line at the last Council on the major issues, including lorry weights, where our present 38 tonne maximum is at odds with the Community consensus figure of 40.

2. I am sure that Nicholas Ridley is right to press for progress through early bilateral meetings with his key Community counterparts - the French and the Germans. They and the Italians are our traditional opponents in the campaign to liberalise Community road transport services by the phased abolition of all road haulage quotas; they also favour the restrictive status quo on air transport services. I also agree that we should raise liberalisation of land, sea and air transport at the next European Council, if time and circumstances permit. Progress in this area is one of our declared objectives in the "New Policies" chapter of the post-Stuttgart negotiations. We have a good story to tell on our attitude to the completion of the Community's internal market (including the Treaty's requirements of unfettered competition), and we should continue to press our views at every appropriate opportunity in the run-up to the March European Council. Apart from the intrinsic merits of transport liberalisation, by doing so we form a useful alliance with the Dutch, who, like us, attach prime importance to a dynamic Common Transport Policy and free intra-Community trade.



3. I suggest that colleagues should do what they can to support Nicholas Ridley's efforts in their bilateral contacts between now and March. In particular, we should consider raising transport with the Italians at the Summit Meeting at the end of this month. My officials will be in touch with Nicholas Ridley's to discuss this.

4. I am copying this minute to Nicholas Ridley, to members of OD(E) and to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to read 'G. Howe', with a small dot at the end.

GEOFFREY HOWE

Foreign and Commonwealth Office
9 January 1984

Envo Pol : Budget Pt 22





10 DOWNING STREET

From the Private Secretary

11 January 1984

Dear Roger,

European Community: Transport Issues

The Prime Minister has seen the Foreign and Commonwealth Secretary's minute of 9 January. She agrees that all the British Ministers concerned should do their best to press for progress towards transport liberalisation between now and the European Council of 19/20 March.

I am copying this letter to the Private Secretaries to other Members of OD(E), Dinah Nichols (Department of Transport), and Richard Hatfield (Cabinet Office).

Yours ever

John Galsworthy

Roger Bone, Esq.,
Foreign and Commonwealth Office.