



**PREM**

**15**

**370**

PART 5 ends:-

Record conversation between Foreign Sec  
and N.2. Opposition Leader. 21/4/71

PART 6 begins:-

UK. Ambassador, Paris to Sir D. Greenhill - 21.4.71  
(~~F.co to RTA + ends of 21.4.71~~)

RECORD OF CONVERSATION BETWEEN THE FOREIGN AND  
COMMONWEALTH SECRETARY AND THE LEADER OF THE  
NEW ZEALAND OPPOSITION HELD AT THE FOREIGN AND  
COMMONWEALTH OFFICE ON WEDNESDAY, 21 APRIL, AT  
4.40 P M

**EXTRACT**

P.A.  
m.  
29/4

## PRESENT:

The Rt Hon Sir Alec Douglas-  
Home MP

Mr N E Kirk

Mr R M Miller

Mr I McCluney

Mr K W Kelley

EEC

1. Sir Alec Douglas-Home said that Mr Kirk would know that he had seen Sir Keith Holyoake. Mr Kirk said that there would be little difference between what he and Sir Keith Holyoake had to say. New Zealand had serious economic problems and the farmers in particular were more agitated than at any time since the depression. They were suffering from a series of cost increases and depressed prices in overseas markets. He said that there had been a great deal of diversification in the dairy industry but that production of milk powder for example depended on the market for butter. Sir Alec Douglas-Home mentioned the rise in the price of butter and said that it was clear that there was now less butter on the world market. Mr Kirk said that the surplus had disappeared. New Zealand farmers had also, of course, suffered from drought.

2. Sir Alec Douglas-Home said that Sir Keith Holyoake was to visit Common Market countries and asked whether Mr Kirk would be doing this. Mr Kirk said that he would be visiting Sweden,

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Germany and Brussels and that he would also be attending the Council of Europe. Sir Alec Douglas-Home said that the British Government had been making the New Zealand case but that it was better when this was also done by New Zealanders. He thought the work done by Mr Marshall was particularly valuable.

Mr Kirk said that he was glad a case had been made for New Zealand butter but that he was also concerned about lamb.

Sir Alec Douglas-Home said that he knew there was the possibility of an EEC regulation on sheepmeat. Mr Kirk said that he was afraid this might come sooner than expected and that a cutback in New Zealand lamb exports would be a very serious matter. New Zealand was trying to diversify her exports and her markets but increased exports to Japan, for example, prompted a Japanese request for a preferential tariff, which would affect United Kingdom exports to New Zealand. This was the sort of problem New Zealand faced.

EEC

4. Sir Alec Douglas-Home said that Mr Kirk should do everything possible to ensure that the French fully understood what the New Zealand problem in the EEC negotiations was all about. Sir Keith Holyoake would certainly be doing so. Mr Kirk said that it should be possible for the EEC countries to accommodate New Zealand and that it would help greatly if they would only bring up their own domestic consumption a little. Sir Alec Douglas-Home said that Mr Marshall would be coming to Britain again after the May meeting in Brussels and that this would be

useful. Mr Kirk said that he would come with the unanimous support of the people of New Zealand.

Distribution:

PS/Prime Minister ✓  
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PS (2)



Foreign and Commonwealth Office

London S.W.1

21 April, 1971.

Dear Robert,

Meeting on the EEC Negotiations on 23 April

Peter Moon wrote on 16 April about the meeting which the Prime Minister has called for 23 April to discuss the EEC negotiations. In that letter he suggested that we might prepare a paper setting out the advantages of the various alternative courses and methods of approach, which could be taken at the meeting.

I enclose a short paper, which has been approved by the Foreign and Commonwealth Secretary, setting out the main factors relating to the possibility of a meeting between the Prime Minister and Pompidou. The Prime Minister will no doubt have seen Tickell's earlier letter of 7 April to you and the draft telegrams to Paris enclosed with that letter.

The question of defence co-operation with France is dealt with in an annex to the enclosed paper.

I am sending a copy of this letter and enclosures to Norbury.

Yours sincerely

Nicholas Bannington

R. T. Armstrong, Esq.,  
10 Downing Street.

The EEC Negotiations and a Meeting between  
the Prime Minister and President

Pompidou

Mr. Soames has reported that the Secretary General at the Elysee told him on 27 March that the vital meeting in the context of the negotiations for our membership of the Communities would be the talk between the Prime Minister and M. Pompidou; that M. Pompidou's choice was the end of May; but that it was imperative to keep this secret. We have still to send Mr. Soames instructions on how to reply substantively to M. Jobert's approach.

Do we want a bilateral summit with M. Pompidou?

2. There are dangers in planning a meeting of this kind:

- (i) if the meeting failed, negotiations for our entry into the Communities would also probably fail, though the Six might attempt a summit of their own to retrieve the position;
- (ii) once a decision to hold a bilateral summit becomes generally known, the Five will be more disposed to leave us to settle things bilaterally with France, and the steam will go out of efforts to make progress in Brussels.

3. But (i) can be argued the other way: the price of failure will be evident to M. Pompidou as well. And (ii) can be met by delaying precise arrangements until a late stage.

