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CC(82) 10th  
Conclusions

COPY NO 79

CABINET

CONCLUSIONS of a Meeting of the Cabinet  
held at 10 Downing Street on  
THURSDAY 11 MARCH 1982  
at 10.00 am

## PRESENT

The Rt Hon Margaret Thatcher MP  
Prime Minister

The Rt Hon William Whitelaw MP  
Secretary of State for the Home Department

The Rt Hon Lord Hailsham  
Lord Chancellor

The Rt Hon Lord Carrington  
Secretary of State for Foreign and  
Commonwealth Affairs

The Rt Hon Sir Geoffrey Howe QC MP  
Chancellor of the Exchequer

The Rt Hon Sir Keith Joseph MP  
Secretary of State for Education and Science

The Rt Hon Francis Pym MP  
Lord President of the Council

The Rt Hon James Prior MP  
Secretary of State for Northern Ireland

The Rt Hon John Nott MP  
Secretary of State for Defence

The Rt Hon Peter Walker MP  
Minister of Agriculture, Fisheries and Food

The Rt Hon Michael Heseltine MP  
Secretary of State for the Environment

The Rt Hon George Younger MP  
Secretary of State for Scotland

The Rt Hon Nicholas Edwards MP  
Secretary of State for Wales

The Rt Hon Patrick Jenkin MP  
Secretary of State for Industry

The Rt Hon John Biffen MP  
Secretary of State for Trade

The Rt Hon David Howell MP  
Secretary of State for Transport

The Rt Hon Norman Fowler MP  
Secretary of State for Social Services

The Rt Hon Leon Brittan QC MP  
Chief Secretary, Treasury

The Rt Hon Baroness Young  
Chancellor of the Duchy of Lancaster

The Rt Hon Nigel Lawson MP  
Secretary of State for Energy

The Rt Hon Norman Tebbit MP  
Secretary of State for Employment

The Rt Hon Cecil Parkinson MP  
Paymaster General

**SECRET**

ALSO PRESENT

The Rt Hon Michael Jopling MP  
Parliamentary Secretary, Treasury

SECRETARIAT

Sir Robert Armstrong  
Mr R L Wade-Gery (Item 1)  
Mr D J S Hancock (Items 3 and 4)  
Mr R L L Facer (Items 3 - 5)  
Mr D H J Hilary (Item 2)  
Mr L J Harris (Item 2)

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THE UNITED  
KINGDOM  
STRATEGIC  
DETERRENT

Previous  
Reference:  
CC(80) 29th  
Conclusions,  
Minute 1

1. THE SECRETARY OF STATE FOR DEFENCE recalled that in their discussion of the United Kingdom strategic nuclear deterrent on 4 March (of which, by agreement, no minutes had been circulated) the Cabinet had been informed of the highly favourable terms on which it seemed likely that the United States would be prepared to make the Trident 2 (D5) missile system available to Britain, in place of the Trident 1 (C4) system agreed on in July 1980. In accordance with the authority given at the conclusion of that discussion, an agreement had now been concluded. This agreement would now be announced that afternoon, and the formal Exchanges of Letters embodying it would be presented to Parliament in a White Paper. His statement in the House of Commons, which would be repeated in the House of Lords, would concentrate on three points: the need for the new missile; the cost issues involved; and the fact that present plans did not envisage Britain taking advantage of the greater capacity of Trident 2 in order to deploy greater striking power than she would have done with Trident 1. He would be publishing an Open Government Document explaining the decision, as well as more condensed publicity material designed for wider audiences; copies had been circulated to members of the Cabinet at the present meeting. Suitable material was also being made available to Conservative Party organisations throughout the country.

In the course of a brief discussion it was noted how clearly the publicity material brought out the relatively small cost of the strategic nuclear deterrent, including the means of protecting it, by comparison with defence expenditure on other capabilities, eg anti-submarine warfare. Opinion in the Glasgow area would also welcome the news, which should be emphasised, that the switch from Trident 1 to Trident 2 would increase the amount of money spent on developing shore facilities for the deterrent but not the amount of land involved.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet endorsed the agreements on the acquisition of Trident 2 and noted the favourable terms which had been negotiated, particularly in relation to offset arrangements and surcharge payments.

The Cabinet -

1. Agreed that the United Kingdom should acquire a four-boat Trident 2 force under the agreements reached with the President and the Secretary for Defense of the United States.
2. Invited the Secretary of State for Defence to announce the decision to acquire Trident 2, and the agreements reached with the United States, to Parliament that afternoon.
3. Took note that Britain's allies would now be informed of the decision before it was announced.

PARLIAMENTARY  
AFFAIRS

2. The Cabinet were informed of the business to be taken in the House of Commons during the following week.

Mental Health  
(Amendment) Bill

THE LORD PRESIDENT OF THE COUNCIL said that the Mental Health (Amendment) Bill would receive its Second Reading in the House of Commons on 22 March. He proposed that it should then be referred to a Special Standing Committee. He did not himself favour this procedure, but there was considerable pressure for a continuation of the experiment which had been conducted in the previous Session. It might be that the result of referring the Mental Health (Amendment) Bill to a Special Standing Committee would be to convince a larger number of Members of Parliament that the experiment should be discontinued.

Higher  
Education

THE PRIME MINISTER said that in the public debate on the restructuring of higher education the Government's case was going by default. The impression had been given on television that the Chairman of the University Grants Committee, Dr Edward Parkes, was remote from the realities. Steps should be taken to correct this impression, perhaps by arranging for Dr Parkes to appear on television again. She would discuss further with the Secretary of State for Scotland and other colleagues most closely concerned whether the Secretary of State should take part in the Supply Day debate on Scottish higher education on 17 March instead of carrying out his speaking engagement in connection with the by-election at Glasgow, Hillhead.

The Cabinet -

1. Took note.

Visit of  
President Reagan

THE PRIME MINISTER said that the Leader of the Opposition had protested publicly about what he regarded as the failure of the Government to consult the Opposition on the suggestion that President Reagan might be invited to address Members of both Houses of Parliament in Westminster Hall during his visit to the United Kingdom in June. It was unthinkable that the Head of State of our major ally, and the effective Head of the Atlantic Alliance, should pay an official visit to this country, as the guest of The Queen, without being invited to address Members of both Houses. The obvious venue for such an address was Westminster Hall, which was part of the common heritage of the United Kingdom and the United States. All that had happened so far was that a United States official had been shown the Hall by the Serjeant at Arms and Black Rod.

She had made it clear to Mr Foot that in her view earlier formal consultation with the Opposition parties would have been premature. The Shadow Cabinet had discussed the matter the previous evening, but in an earlier discussion that she had had with Mr Foot, it had appeared that the Opposition's objections to the proposal were threefold. They regarded Mr Reagan as a highly controversial figure; but that had also been true of Mr Kosygin. They argued that he had only been in office for a relatively short time: he had, however, been Head of State for longer than had General De Gaulle when he spoke in Westminster Hall in 1960. Finally, the Opposition attached great importance to their view that any address should be given in the Royal Gallery (as for all other Heads of State or Government since the war except General De Gaulle) rather than in Westminster Hall. This was a trivial and small-minded objection. Although the United States Government appear to take a relaxed view of the venue, it would be hard to justify according the President a lesser privilege than General De Gaulle; and it would be unfortunate if the Royal Gallery were used and Mr Foot then chose to represent this as a capitulation to pressure from the Opposition. The choice seemed to be to hold a joint meeting in Westminster Hall, in the probable absence of many members of the Labour Party, or to hold it in the Royal Gallery with greater all-Party participation. She was strongly inclined towards the former option, subject to the view of the Cabinet, but she would take a final decision in consultation with colleagues most closely concerned after she had seen Mr Foot again later that day.

The Cabinet -

2. Agreed that, subject to the outcome of the Prime Minister's further discussion with Mr Foot, and to consultations with other parties concerned, President Reagan should be formally invited to address Members of both Houses of Parliament during his visit to the United Kingdom in June.

FOREIGN  
AFFAIRS

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Soviet Union

Previous  
Reference:  
CC(81) 11th  
Conclusions,  
Minute 2

3. THE FOREIGN AND COMMONWEALTH SECRETARY said that stories current in the Soviet Union of nepotism and corruption affecting members of President Brezhnev's family suggested that changes in the leadership might be imminent. It seemed that Mr Chernenko's star was now in the ascendant.

Belize

Previous  
Reference:  
CC(81) 32nd  
Conclusions,  
Minute 2

THE SECRETARY OF STATE FOR DEFENCE said that a decision was needed soon on whether to proceed with the agreed timetable for the withdrawal of British forces from Belize. If the date for withdrawal were postponed, the garrison might have to remain for a considerable time.

Ireland

Previous  
Reference:  
CC(82) 7th  
Conclusions,  
Minute 2

THE FOREIGN AND COMMONWEALTH SECRETARY said that Mr Haughey had been elected Taoiseach as a result of having obtained the support of a number of independent members of the Dail through promises of Government aid for their constituencies. These promises would affect his Government's economic policies, and Mr Haughey was therefore likely to seek to divert attention away from the economic field by taking a hard line towards Northern Ireland.

In discussion it was noted that Mr Haughey's recent speech had been ill-received in Northern Ireland and was likely to have the effect of rallying support for Mr Paisley. Recent Irish election results had shown the weaknesses of the Single Transferable Vote (STV) system of proportional representation.

The Cabinet -

Took note.

COMMUNITY AFFAIRS

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United States Steel Imports

Previous Reference: CC(81) 40th Conclusions, Minute 3

30 May Mandate

Previous Reference: CC(82) 1st Conclusions, Minute 3

4. THE SECRETARY OF STATE FOR INDUSTRY said that he understood that the Community's case against the actions by the United States steel companies had been presented ineptly by the Commission in Washington. It might become necessary for the United Kingdom to take an independent initiative. The Secretary of State was also concerned that the Italians were failing to implement the Community's agreement on the control of steel production, and considered that the United Kingdom should stiffen the Commission's resolve to ensure that all member states complied with the agreement.

THE FOREIGN AND COMMONWEALTH SECRETARY reported that he would be discussing the Mandate with the French Foreign Minister on 15 March and that the Prime Minister and he would be discussing the handling of the negotiations with the Presidents of the Council of Ministers and the Commission on 16 March.

The Cabinet -

Took note.

INDUSTRIAL AFFAIRS

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Government help for small businesses

5. THE SECRETARY OF STATE FOR THE ENVIRONMENT suggested that the various forms of assistance available for small businesses were not sufficiently well known to those directly concerned or to local people, such as accountants, bank managers and solicitors, to whom they might turn for advice.

THE PRIME MINISTER, summing up a short discussion, said that there was general agreement in the Cabinet that more could be done to draw to the attention of those concerned the various forms of assistance and support that the Government now provided for small businesses, and to create an informed body of public opinion on the needs of and opportunities for small businesses. It should be possible to make more use both of television and of the Press for this purpose.

The Cabinet -

1. Invited the Chancellor of the Exchequer, in consultation with the Lord President, the Secretary of State for the Environment, the Secretary of State for Industry and the Paymaster General to consider and make recommendations for improvements in the arrangements for ensuring that information about the availability of Government assistance and support for small businesses was as widely disseminated as possible.

London  
Transport

Previous  
Reference:  
CC(82) 6th  
Conclusions,  
Minute 4

THE SECRETARY OF STATE FOR TRANSPORT said that reports from London Transport's bus and train depots suggested that support for the one day strike called on 10 March to protest about the forthcoming rise in London Transport fares had been much less than wholehearted. The staff concerned came out largely because they were ordered to do so by their unions, though the unions had been able to work up an industrial issue which had no doubt helped to ensure support for the strike. The London Transport Executive were now concerned at the possibility of action by London Transport staff to encourage or to incite passengers not to pay the new fares. The Executive would prepare to take disciplinary action if the need arose.

The Cabinet -

2. Took note.

Cabinet Office

11 March 1982