

## PRIME MINISTER'S ENGAGEMENTS

The Prime Minister would spend a large part of the day with individual Ministers bringing herself up to date after a week's absence. The engagements included:-

Chief Secretary to the Treasury - 11 a.m.  
Home Secretary and S/S for Scotland - 12.30 p.m.  
Ministerial meeting this afternoon  
(for which details will be given  
later)  
S/S for Northern Ireland - 5 p.m.  
Home Secretary and Chief Whip - 5.30 p.m.

This evening journalists who covered the General Election would attend a party at No. 10.

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## MPS' PAY

The subject was likely to be discussed at tomorrow's meeting of Cabinet. Whereas yesterday we did not expect any change in the Government's declared intentions, we were unable to take such a positive line today. Reference to it was likely to be made in tomorrow's Business Statement. The Prime Minister had not and would not see Mr. Edward Du Cann in this connection but it was likely that somebody would do so on her behalf.

## HANGING DEBATE

We do not expect this to take place next week but it is still scheduled before the summer recess.

## KIDNAPPING

It was not Government policy to yield to kidnapping demands but what Lloyds did was their own affair.

## MORTGAGE RISES

We did not expect the Prime Minister to intervene in proposals to raise mortgage rates.

HGR

PRIME MINISTER'S ENGAGEMENTS

We said that the Prime Minister's meetings with individual Ministers would not normally be referred to but that she found such meetings a useful way of bringing herself up to date after a week's absence and could become a fairly regular feature of her diary.

This morning's briefing was repeated and the Ministerial meeting which began at 3.30 p.m. included the Chancellor of the Exchequer, the Home Secretary, the Secretary of State for the Environment and the Financial Secretary (this meeting finished at 5 p.m.).

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DEATH OF MR. JOHN DAVIES

The Prime Minister had put out a statement through the Conservative Central Office.

VISIT TO CAMBRIDGE

The Prime Minister would visit Cambridge on Friday - her first domestic out of town visit since becoming Prime Minister. She would visit two firms - HH Electronic and Laser/Scan Laboratories Limited - both high technology firms with a good export record. In the afternoon the Prime Minister would speak at the CPC Summer School.

MORTGAGE RISES

Speculation that this afternoon's Ministerial meeting would consider mortgages was not confirmed but we reminded the Lobby that the Prime Minister was interested in informing herself and not intervening. We did not know of any course of action likely to emerge as a result of a meeting and were not aware of any Ministers meeting heads of building societies.

MPS' PAY

The Government had not reached a conclusion and we would not be surprised if the subject came up in Cabinet tomorrow. The Leader of the House had indicated that he expected to say something about it in his Business Statement tomorrow.

LORD HARLECH

We understood that he would arrive back in this country tomorrow morning but did not know any details of when he would report. Lord Carrington was expected back tonight.

BISHOP MUZOREWA

The Bishop was expected to meet the Prime Minister on Friday, 13 July, after having met Lord Carrington.

HGR