

PRIME MINISTER

PRESS DIGEST

Coal

- 61-39 majority against strike, Scargill admits it is a severe setback but not permanent. Won't change his principles.
- Only Kent and South Wales vote for strike.
- MacGregor expected to be appointed to NCB in a few days.
- NUM lifts its ban on national level consultative meetings on failure of industry.

Sun: Page 1 - I'll keep fighting to save pits, says defiant Scargill. Don't delay appointment of MacGregor any more - so also says Mail.

Mirror: says there was no gloating in Government; they are aware there is one section of community - NUM - they can't take for granted.

Express: says Scargill predictably lambasted media and "vultures" of Fleet Street in particular.

Mail: turns Scargill's remarks about need to educate membership back on him with headline "Educating Arthur".

Times: ballot defeat for NUM executive and Scargill but not for miners; time to abandon plan for coal and to make new realistic projections; ballot an emphatic rejection of negative policies which have obstructed progress so long.

FT: suggests the real war - on economic capacity - could now begin; this could bring reductions in numbers of British pits comparable with Robens' cuts of 60s.

Steel

- Mail says Select Committee puts cost of keeping Ravenscraig open at £100m a year and £10 on every tonne of steel sold.
- Meanwhile, BSC considering linking up with US steel plant.

Industry

- Longbridge Metro production halted after detectives make 3 raids on homes.
- BL workers seeking stolen parts; 200 storemen walk out.
- Worker at centre of Halewood Escort stoppage says he is innocent victim of plot over vandalism - entirely happy to have police investigation.

- Mirror's quite remarkable headline on consultative document on payment of wages by cheque story - "Tebbit bids to outlaw pay packets".
- Spain ready to reduce tariffs on car imports, subject to quota system.

### Economy

- GATT says world trade is set for an up-turn after 2% fall in volume of world trade last year.
- Share prices soar after miners' vote against strike; £ revives slightly to \$1.512.
- Oil prices will probably fall \$5 a barrel, but OPEC still talking on production.
- French franc at EMS floor amid fears of devaluation.
- Labour unveils £4bn spending programme to help jobless - Express leader says Abraham Lincoln's advice - "You can't make poor rich by making rich poor" has passed Peter Shore by - way to more prosperous future is to remove disincentives; but Shore plans more taxes for those earning more than £250 a week.
- Mail says it is a typical piece of Robin Hood economics.
- Guardian says Chancellor appears likely to claw back at least part of excess rise over inflation in pension.
- FT says there is concern in USA that Volcher might not be reappointed to the Fed.
- Kenneth Fleet, Express, calls on Chancellor to cut personal taxes and raise tax relief on home loans; no cut in NI surcharge.
- Midland Bank thinks base rates may be coming down, according to Mail; pre-tax profit up £19m (8%).
- Telegraph argues for Budget dispensation of no more than £2bn in poverty trap and not indexing duties fully, plus capital projects.

### Unions/Pay

- Teachers seek 15% (£5.32) wage settlement - reject 3.5% offer.
- NUR HQ paralysed by staff strike over duplicator.
- Bank offer "final" 4.75% - offer goes to arbitration.
- CPSA facing loss of £2m over new HQ project which they now wish to abandon.
- Telegraph say 100 applications a week are coming in to new railway union

### EC/EuroParliament

- Guardian says you and Mr Prior are rowing over the inquiry into Northern Ireland. Mr Prior's reaction significantly less belligerent - but issue is co-operation with inquiry and Mr Prior clearly intends to offer it to try to win argument.
- EuroMPs vote on 7% farm price increase - set-back for Britain.
- FT says French have succeeded yet again in blocking our 1982 rebate.
- Invest in Britain Bureau says Britain has attracted by far largest share of direct overseas investment in EC.
- EC sells 0.5m tonnes of grain to Spain at half price while British pig producers press for cheaper feed.

### Local Authorities

- Council Ombudsman tells Islington to lift news blackout and advertising ban on local paper.
- Livingstone wants drink banned from Commons; MPs "half cut" before they speak.
- Times says London boroughs in Labour hands will generally have higher rate increases, but Tory Richmond will go up by nearly 35%.

### Health/Welfare

- Consumers' Association warns of the dangers of taking painkilling drug, Distalgesic, from overdoses of which 269 people have died in one year; safety check begins.
- Mirror leader "Thatcher the food snatcher" says Merton is leading Tory Councils in taking too precisely your advice to return to Victorian times.

### Politics

- Eight to fight Darlington.
- Tories of Ladywood, Birmingham, pick Asian woman Parliamentary candidate.
- Mr Foot's plan to drive around Darlington angers local Tories.

### Defence

- High Court grants Newbury Council eviction orders to clear Greenham Common women off Common land and new site; Sun asks why they don't all stand for Parliament to discover how much public support they enjoy
- Guardian leader says such curtailment of free speech as there has been is to be deplored and seems heavy handed and inept response to legitimate political protest.

### Falklands

- Evidence found of Argentines having returned to S.Thule and planted flag there. We remove it as well as buildings.
- You urge Reagan not to resume arms sales to Argentina; Bignone tells Non-Alligned Summit that his "permanent aim" is to recover Falklands.
- Mail says Argentina has bought 65 replacement fighters - believed to have come from Israel; and France has resumed sales of Exocets.

### Law and Order

- 10 held in series of raids in gangland war.
- D/Star leader attacks new powers of Police Bill to seize confidential papers.

### Sport

- MCC decision-day on Wednesday on tour of South Africa.

### International

- Zimbabwe: Nkomo expected to seek asylum here soon; wife arrested on way to Harare with air ticket for London; one report that he wants summit with Mugabe in London.
- Moscow: Maclean dies in Moscow from cancer; US diplomat arrested on spying charge - told to get out.
- USA: Telegraph speculates that Reagan will run for second term - decision in June. Reagan proposes \$110m military aid to El Salvador.
- Poland: Walesa warns authorities of danger of mass protest to secure release of Solidarity detainees.
- Australia: Hawke spurns left in forming Cabinet.

B. INGHAM

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