

Econ Pol.

PRIME MINISTER

LIAISON COMMITTEE

ISSUES FOR DECISION

The period immediately ahead will be dominated by the Falkland Islands crisis. This makes its own very heavy presentational demands which have so far been dealt with successfully.

The crisis has however overshadowed, if not entirely eclipsed, three important events:

- the Government's third anniversary;
- better economic news, apart from an unemployment figures relapse; and
- the local elections in which the Government's position may be benefiting from the Falklands crisis.

The effect may be a mixed blessing. But the reality is that substantial opportunities to present the Government's domestic record in a better light have been lost. A major effort will be required to build domestically upon any successful outcome of the Falklands crisis.

Meanwhile, it is important to avoid being caught out by other events. The major events/issues arising over the next months are:

- pay review/arbitration decisions this week (? tomorrow); (NB: a series of 6 Civil Service Union Conferences is to be held between May 10 and 20);
- NHS dock and rail disputes; NB: ASLEF conference (18-26); NUPE conference (23-27);
- anniversaries of hunger striker deaths starting with Bobby Sands today; others this month are Hughes (12); McCreesh and O'Hara (21);
- EC Mandate;
- Economic - Index of Retail Prices (? single figures) (21); Unemployment figures (25).
- Pope's visit at end of the month.

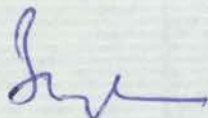


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Your media/speaking engagements are:

- May 14 - Scottish Conference;
- May 15 - Franco/British Council;
- May 26 - Conservative Women's Conference.



B. INGHAM

4 May 1982

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