



F 12/3

10 DOWNING STREET

From the Press Secretary

PRIME MINISTER

PRESS DIGEST for Friday, March 12, 1982

TRIDENT - Mail makes point that voters will have a chance to decide at next election because expenditure will be limited to a little over £300m between now and 1984

- TUC says decision will lead to a vast waste of manpower and resources
- Labour Party says it will scrap it
- Telegraph says 2/3rds of total cost will be spent in Britain
- Keith Speed, in Guardian, does not believe we can afford it and argues for cheaper alternative

Comment:

- Sun: Govt right to go ahead; price for freedom must be paid
- Mirror: Missile madness - decision is as stupid as any made by British Cabinet; economically, politically and militarily stupid
- Express: argument in favour of Trident II is very powerful; only question is whether we need a deterrent at all but it prevents a USA relapse into isolationism
- Mail: Delay in spending is welcome; worrying reports that Trident may be vulnerable to Soviet technological developments; now time we had a full scale public debate
- Telegraph: unquestionably a first class system; only question is whether we are paying more than we can afford for a bigger bang than we need; Mr Nott still got an almighty sales job to persuade us we need it
- Guardian: wrong to plough ahead and events will prove it; but events will never make up for the resources and effort wasted in rowing back
- FT: Our reservations have been reinforced by the narrowness of the reasons advanced in justification.

ECONOMY - Banks cut base rate by 0.5% to 13%; Building Societies set to cut mortgages by 1.5%

- Australian unemployment up to 7% - post-war peak

BUDGET - Patrick Sergeant, Mail, says suddenly there is a strong flavour of success about the Chancellor

- Chancellor admits, however, that the Budget will leave most people worse off
- MORI shows that majority of people believe economic state of Britain is set to improve soon
- Times says the Chancellor has rightly had a good press

UNIONS/PAY - Railwaymen want 12% - BR says that any union which doesn't agree to increase productivity will get nothing

- Teachers ban lunchtime supervision in cities; 10,000 Birmingham teachers told they face fines and disciplinary action if they don't fulfil contract
- Shipbuilding unions agree in principle to accept 6.5 to 7.5%

MINERS - Select Committee says you paid far too high a price for keeping the peace with miners over pit closures last year; Lawson fights back and says pit closures have gone on since then

- Gormley sees off the Left at his last NUM executive in what turns out to be a tame affair; says he turned down a knighthood from Callaghan but would like a peerage
- Express says lesson Scargill has to learn is that members of NUM have last word

Sun says that under Gormley miners have achieved unmatched prosperity; would be silly to throw it all away to promote Marxist ambitions of Scargill

INDUSTRY: Sir Maurice Hodgson to become chairman of British Home Stores

- Steel output up 14% during first two months of 1982
- Dramatic recovery by Shell
- Texaco to spend £100, on plant at South Wales refinery to meet lead in petrol specifications
- NEB sets up two subsidiaries, each with £2m to invest in high technology on Merseyside and in South West
- Govt announces details to give local authorities new power to spend £100m a year on assistance to small companies employing up to maximum of 25
- Guardian comes out against sale of any part of BNOG and the time is not ripe anyway with oilprices falling; Times sees force in Clive Jenkins' argument and says public interest will not be served by rushing through sale at knock-down price

MEDIA - Row over Murdoch's bid to sack Harry Evans as editor of Times; Evans won't go and at least half of independent directors are supporting Evans
Meanwhile, Murdoch says Times and Sunday Times have been saved; expects to achieve 1,000 redundancies overall in six months; but whether they go on for ever depends on their performance.

ARTS - John Player announces £1m arts sponsorship

LOCAL AUTHORITIES - AMA makes strong defence of rates as prime source of local authority income

MEDICAL - Dentists furious over Government's plan to increase dental charges by almost 50% - object to being unpaid tax gatherers

LAW AND ORDER - Government proposing to introduce new law to crack down on criminals serving on juries

- Queen's Gallantry Award for PC Olds
- 20 year-old PC stabbed to death in Manchester for two gallons of petrol
- Mail feature on where Black cops walk with pride - in New York
- MPs make first move to prevent prostitutes going to prison for soliciting
- Mail: Willie Must Go leader says we need a Minister at the Home Office who is above all tough and determined to re-establish law and order; what we have is a nice but utterly feeble and jelly-like Willie in whom the police are demoralised; Telegraph: says you are giving same loyalty to Willie as he has shown to you; but he is being criticised for not going to Tory Central Council which gives him a first class platform; Malcolm Rutherford, FT, says it is surprising to discover how many Ministers expect riots this summer; Time says problem is crime not blacks and unless police see it that way they will not improve the statistics.

IRELAND - 4 year-old girl sees father shot dead by IRA

- Mr Prior to present plans for devaluation to Cabinet this month

RACE: - Boat people complain they are subjected to almost daily abuse and beating on Deptford housing estate

- Row over judge who binds over looter on discovering he is going to Jamaica with a view to settling there on condition he stays there for 5 years

RELIGION - Orange mob shouts down Archbishop Runcie in Liverpool in protest against Pope's visit

POLITICS - SDP joined by Duke of Devonshire - says Conservative policies are double Dutch to him at present

- Roy Jenkins gets an opponent of the same name in Hillhead; Mr Heath faces Alliance challenge at next election
- Tories most popular party for first time since election - leap into 4% lead; 37/Lab 33/SDP 12; Libs 8; but Alliance 27.
- John Biggs-Davidson suggests Tories may field candidates in Ulster at next election
- Militant Tendency denies IRA link



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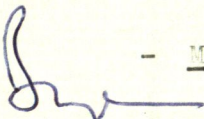
From the Press Secretary

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- FAMILY - LBC journalists object to Carol taking job of another woman; but Carol has applied for forms to rejoin NUJ
- Lots of cartoons about Mark's article in Honey and big Mirror feature under heading: Some mothers do have 'em.

INTERNATIONAL

- The Reagan Affair: Looks as if he may have to settle for the Royal Gallery since Labour Party objects to Westminster Hall
 - German SPD party invites Reagan to address the Bundestag
 - Reagan booted at ballet in Washington
- Poland - UN Commission on Human Rights calls for full investigation into military repression
- Austria - Conservative opposition condemns Kreisky for inviting Gaddafi; incompatible with Austrian neutrality
- EC - EuroParliament votes to ban seal skin imports but not binding on member-Governments; Canadians threaten to interfere in fishing agreements.
- South Africa: Government alleged to have known in advance of mercenaries' attempt to overthrow Seychelles regime
- Mexico - Police believe they have captured Carlos the Jackal


B Ingham
12.3.82



10 DOWNING STREET

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PRIME MINISTER

PRESS DIGEST for Saturday, March 13, 1982

- ECONOMY - Home loans interest rate drops 1.5% and further cuts forecast before end of year; £ goes below \$1.80 for first time since September
- Mail says your dream of transforming Britain into a home owning democracy came a step nearer with biggest mortgage rate cut and 0.5m council tenants want to buy their own homes; leader says this may mark the beginning of the end of the recession
 - Malcolm Rutherford, FT, says Government has reason to be well pleased with initial response to Budget, according to Marplan poll of business opinion
 - US wholesale prices fall for first time in six years in February
 - Japan real GNP fell for first time in six years in last quarter of 1981

- UNIONS/PAY - TUC to go to China in the autumn
- 24-hour strike by rebel train guards halves services from Liverpool to London
 - NHS unions reject 4% for ancillary staffs; want 20%
 - ICI directors get 9% after 19-month freeze because of poor company performance
 - Wool textile unions agree on 5.5% rise
 - Guardian, in valedictory leader to Gormley, says direct subsidies to coal industry running at over twice cost of annual increase in pay and history may record that Gormley's moderate populism was at least as expensive as militant posturing of Scargill
 - BA tarmac staff on 24-hour strike in support of baggage loaders disrupt inter-continental flights

- INDUSTRY - Vauxhall loss cut to £57m from £83m in 1980
- Staff working for JL Partnership share out £15.5m bonus and shop assistants will have £770 in pay packets at end of month; most successful example of worker participation in profits; example could be followed with profit
 - Express feature on failure of Woolworths says Britain's shoppers have rising expectations and will only support those who provide them with good service and quality products
 - A De Lorean creditor drops winding up action to allow Receiver to go on with rescue

YOUR VISIT TO SUNDERLAND - Lots of pictures of you behind the Iron Mask watching welding; Express story saying you were finally blown off course yesterday when high winds interfered with launch

- DEFENCE - Telegraph says Trident agreement opens door to £30 billion market for British industry
- Tass condemns decision to buy Trident II and says it shows USA is not sincere on arms reduction
 - Govt discussing sale of Hawk trainer to Iraq

LABOUR LAW - Michael Allison, referring to TUC threat to disrupt industry if employers observe statutory responsibilities under closed shop provisions, says firms would be better off to avoid closed shop agreements; attacks Eric Varley for acting like Militant Tendency in supporting extra-Parliamentary action

MEDIA - Murdoch says Evans has agreed to leave Times editorship in favour of Charles Douglas-Home

MEDICAL/WELFARE - David Alton MP discloses second case where parents in Liverpool are being prevented from seeing children by Social Services Dept
- Man who has survived 70 heart attacks gets computerised pacemaker

EDUCATION - Violence and damage breaks out in schools as teachers withdraw meals supervision; worst case at Bideford where police take 35 minutes to restore order
- New practical exams for teenagers who stay on at school to avoid unemployment
- Mary Kenny, in Mail, asks why are we losing confidence in State schools
- Head and 5 teachers who conducted feud over 2 years to go either on early retirement or on transfer

LOCAL AUTHORITIES - Telegraph says Tory Central Council will increase pressure for rating reform and streamlined system of local authorities
- Splendid case of the Cambridgeshire legal officer who eschewed legalese in writing to rent defaulter and used plain words with dramatic results

LAW AND ORDER - Over 100,000 offences of violence last year; 10% rise in serious crime; Home Secretary reveals snatch squads have been set up to concentrate on street crime and mugging; Police Federation calls for return of corporal punishment
- Harvey Procter MP calls for Home Secretary's resignation and sacking of top Civil Servants in Home Office
- Ripper to pay compensation to another victim who survived
- 5 Tanzanian hijackers on hunger strike in Chelmsford Gaol
- Judge expresses concern at railway fiddle which netted £6000 to restaurant car stewards

IRELAND - Official Unionists reject Mr Prior's plan for progressive devolution and SDLP attack it

PEOPLE - Journalists on LBC refer their objections to Carol's job to disputes procedure; LBC say there is no question of her leaving; Mark spends time dodging press in New York

POLITICS - Express leader says your timing is beginning to look good; now the virtue of your necessary inflexibility begins to reap its reward and begins to win you grudging respect
- Wall turns up at Scottish Labour Party conference on same day as Michael Foot and repeats his Civil War remarks
- Dickson Mabo expected to stand down in Greenock to avoid Alliance clash
- Mail: How remarkable Tories have gone into lead with 3m unemployed! majority losing faith in idea we can spend our way out of recession; could it be your stern economic philosophy paying off in electoral terms?

INTERNATIONAL - Eire: foretaste of a tough Budget with big increases in excise duties
Mexico: Police now say they didn't capture Carlos
Poland: USA takes tough line on re-scheduling debt; not until '81 commitments satisfied

Cricket: Wisden to record caps awarded to South African cricketers; Guardian says this is not good enough.



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