

The morning Lobby was repeated.

DATA PROTECTION

Mr Meacher's letter (of 19 March ?) had not yet been received.

FALKLAND ISLANDS

We had approached the Argentinians in Buenos Aries and in London to express our concern and to obtain an explanation of what had happened. We were awaiting clarification. We understood that the Argentinians had now left the Islands.

CABLE TV

The establishment of an inquiry did not mean there would be any delay on direct broadcasting by satellite. The object was to move ahead with cable broadcasting as soon as possible but in good order and subject to whatever safeguards might be considered appropriate. We wished to maintain high standards although it was doubtful whether the existing very high standards of the BBC and IBA could be expected. Lord Hunt would also be considering whatever regulatory back-up might be needed. The control of ponography was only a very small aspect of the inquiry.

NORTHERN IRELAND

A paper was before Ministers. Mr Prior's proposals would probably go to full Cabinet. We could not be precise on the timetable but there was still time for an announcement before Easter.

MR WHITELAW

There was no change in the Prime Minister's position. Mr Whitelaw had her full support and confidence.

THORN

Whatever he might have said, and we understood his Office was now releasing a complete text, did not change the underlying problem which we and the Germans wanted solved. It might have been more helpful for him to have said nothing. The Community was in no doubt about our position and knew we were determined to obtain a solution. Without a solution there could be no agricultural price-fixing. There was no difference between us and the Germans: Schmidt was trying as we were to put the budget problem in its international aspect. We certainly did not need a row within the Community which could hardly allow it to flourish.

We acknowledged that the refunds which we had received in respect of 1980 and 1981 were very good. The mechanism allowed for further refunds in respect of 1982. But this was only a short-term solution. What was needed was a solution of the basic budget structure together with a review of the situation after 5 years.

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