

LOBBY BRIEFING

time: 11 AM date: 31.3.82

PRIME MINISTER'S DAY

The Prime Minister will be working in No 10 most of the day.

SIR RONALD BELL

At 12 noon the Prime Minister will attend and read a lesson at the Memorial Service for Sir Ronald Bell at St Margaret's, Westminster.

This afternoon at 3.30 pm the Prime Minister will be in the House to make a Statement following the European Council in Brussels on Monday and Tuesday.

IN THE HOUSE

STATEMENT

One Statement today - from the Prime Minister as above.

ANSWERS OF INTEREST

No 103 Written 3.30 pm: Mr Keith Best to ask S/S Social Services when he expects the Social Security Advisory Committee to publish their annual report. (Answer will indicate publication today. Department will consider it. Committee is giving Press Conference at 11.30 am).

No 67 Written 3.30 pm: Mr Geoffrey Johnson Smith to ask S/S Defence, having regard to his observations upon the third report from the Defence Committee Session 1979-80 whether the Defence Press and Broadcasting Committee has now reached a conclusion on its review of the D Notice system. (Answer heralds publication of the new D-Notices. There will be a Press Notice from MOD which should be in the Lobby at 3.30pm.)

No 104 Written 3.30 pm: Mr Nigel Porman to ask the Lord Privy Seal whether he will re-consider his decision to abide by the pro-rata provision in the 6th Replenishment of the International Development Association. (Answer will indicate a decision to waive the pro-rata provision in respect of the second instalment. IDA will have commitment authority for £370m of the UK's £555m contribution.)

No 99 Written 3.30 pm: Mr Ian Grist to ask S/S Transport if he will make a statement on the requirement for Government support to BR passenger services for the current year. (Answer will indicate more cash than last year, though when inflation is allowed for this is a cut in real terms. It is also less than BR asked for. This will impose a new financial discipline on BR, considered absolutely vital quite apart from the rostering dispute.)

GOLD

At 2.30 pm Inland Revenue would publish a Statutory Instrument imposing 15% VAT on gold coins with effect from 1 April.

D-NOTICES

Today's announcement follows a review and brings the existing D-Notices up-to-date.

BRITISH RAIL

Today's announcement is in respect of annual requirement. British Rail would need to find the balance they require from outside Government. further details from Transport.

FALKLANDS

Inevitably the Prime Minister was being kept in touch. There were no special meetings. We were seeking a diplomatic solution. We had nothing further to add and were not confirming any suggestions in respect of submarine or ship movements.

EC MANDATE

During yesterday's European Council meeting the Belgian Prime Minister, M Martens, invited Tindemans to introduce his paper setting out the basis for a Budget settlement, as was presented at the recent FAC. He had nothing new to add. There followed a fairly considerable silence before the Prime Minister spoke. She regretted that Foreign Ministers had so far been unable to make any progress and went on to make three general points:-

- (i) the Community needed a period of stability if it was to respond effectively to the challenges presented by its internal economic problems and an increasingly dangerous world environment;
- (ii) the method of correction must deal with the problem in its entirety and must be sufficiently flexible to ensure a fair outcome if circumstances change;
- (iii) the scale of compensation must be fair. As a less prosperous Member State the UK could reasonably expect to be a net beneficiary. But we recognised that such a big change in the present financial pattern would create problems for our partners. But we could see no justification for the UK being more than a very modest net contributor.

President Mitterand made a very negative response following which M Martens hoped Foreign Ministers would do their best. We had no advance warning of the French position and it was clear that more and more countries were becoming concerned at the French position.

We briefed the Lobby on the estimated receipts/contributions by Member States in 1981 and 1982 (see attached paper).

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NET CONTRIBUTIONS (-) AND RECEIPTS (+) BY MEMBER STATE

million ecus

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
I. <u>Net positions before UK refunds</u>							(provisional)	estimated		
Belgium/Luxembourg	+135	+346	+329	+337	+610	+484	+650	+740	+860	+910
Denmark	+237	+294	+293	+381	+380	+332	+307	+340	+390	+440
Germany	-1007	-1054	-1467	-597	-1430	-1534	-1622	-1860	-1900	-2170
Greece	-	-	-	-	-	-	+126	+570	+610	+690
France	+35	+58	-310	-371	-78	+432	+678	+350	+370	+430
Ireland	+175	+155	+212	+326	+545	+644	+589	+670	+750	+820
Italy	+40	+248	+294	-334	+534	+732	+623	+930	+880	+980
Netherlands	-27	+222	+88	+41	+288	+437	+197	+260	+230	+260
United Kingdom	+104	-90	+126	-228	-849	-1527	-1548	-2000	-2190	-2410
[Residual]	[+308]	[-179]	[+435]	[+445]	[-]	[-]	[-]	[-]	[-]	[-]

1870

II. <u>Net positions after UK refunds</u>	Pro- visional		As expected at time of 30 May agreement	
	1980	1981	1980	1981*
Belgium/Luxembourg	+422	+522	+ 709	+ 846
Denmark	+299	+271	+ 389	+ 523
Germany	-1965	-2117	-1623	-1836
Greece	-	+97	[-]	[-]
France	+82	+246	- 335	- 421
Ireland	+633	+575	+ 524	+ 656
Italy	+522	+387	+ 598	+ 589
Netherlands	+359	+102	+ 347	+ 463
United Kingdom	-352	-138	- 609	- 730

Source: Commission, 1975 - 1981; Treasury estimates 1982 to 1984.

The preceding show, the figures for 1975 to 1978 are unsatisfactory, but they give some guidance of magnitude.

South Georgia (Falkland Islands Dependencies)

3.31 pm

The Minister of State, Foreign and Commonwealth Office (Mr. Richard Luce): With permission, Mr. Speaker, I would like to repeat a statement on South Georgia, which my right honourable and noble Friend the Secretary of State for Foreign and Commonwealth Affairs has made in another place.

As I told the House on 23 March, a group of Argentines, employed by a commercial contractor, Mr. Davidoff, an Argentine citizen, landed at Leith harbour on South Georgia on 19 March from an Argentine naval transport vessel. Mr. Davidoff had been informed in advance of the need to seek the necessary permission from the British authorities at Grytviken to land and to carry out this salvage work. He conveyed to the British embassy in Buenos Aires his intention to begin work in South Georgia but gave no indication that he would not follow the normal immigration procedures.

When the party arrived at Leith, it did not seek the required documentation, and when, requested by the base commander to proceed to Grytviken in order to do so, it failed to comply. Mr. Davidoff's commercial contract is straightforward. However, it does not absolve him or his employees from complying with the normal immigration procedures. Subsequently, the majority of the Argentine party and the Argentine ship departed, but about a dozen men remained on shore.

We therefore made it clear to the Argentine Government that we regarded them as being present illegally on British territory, and sought their co-operation in arranging for their departure, pointing out, however, that their position could be regularised if they were to seek the necessary authorisation. Meanwhile, HMS "Endurance" was ordered to proceed to the area to be available to assist as necessary. She has been standing by since 24 March.

On 25 March, an Argentine vessel delivered further equipment to the group ashore. The Argentine Foreign Minister has said that the Argentine party in South Georgia will be given the full protection of the Argentine Government. Argentine warships are in the area.

The situation which has thus arisen, while not of our seeking, is potentially dangerous. We have no doubts about British sovereignty over this Falkland Islands dependency as over the Falklands themselves.

We remain of the view that the unauthorised presence of Argentine citizens in British territory is not acceptable. We have no wish to stand in the way of a normal commercial salvage contract, but the position of those carrying it out must be properly authorised.

Further escalation of this dispute is no one's interest. In those circumstances, it is clearly right to pursue a diplomatic solution of the problem. This we are doing. I hope that the Argentine Government will take the same view. Meanwhile, the question of security in the Falklands area is being reviewed, although the House will understand that I prefer to say nothing in public about our precautionary measures. I can, however, inform the House that HMS "Endurance" will remain on station as long as is necessary.

Mr. Denis Healey (Leeds, East): A week has passed since the Minister of State made his first remarks about the problem. I think that his feeble statement this afternoon will lead many, even on this side of the House to agree for once with *The Daily Telegraph* that Her Majesty's Government's conduct in this affair appears to be both foolish and spineless. We can all agree that a diplomatic settlement of this dispute is needed. It raises severe problems for the Antarctic treaty, which is, I think, due for renewal next year. I hope that the hon. Gentleman will say something about that.

I think that the hon. Gentleman will agree, as his right hon. Friend the Secretary of State for Defence said yesterday, that diplomacy is unlikely to succeed unless there is an effective deterrent against unilateral action by the other party. There is no doubt that the dispute has revealed that the Government's defence priorities are mistaken. The Government have crippled the Royal Navy for the sake of the Trident programme. The result is that the recent events have found the Government with their trousers down in the South Atlantic. It is not surprising that the Argentine Government have been tempted by the target that they have provided.

We welcome the U-turn on the presence of HMS "Endurance", but the hon. Gentleman must be aware that that clapped out ice-breaker is no match for the five or six warships, armed with Exocet missiles, which the Argentine Government are reported to be sending towards the area.

I can understand that the hon. Gentleman may prefer to say nothing about other measures, but perhaps that is because he has nothing to say. I put it to the hon. Gentleman that the Government have been responsible for a grave dereliction of duty in putting themselves in a position where they are totally incapable of making any response to a threat which has been mounted for the past three weeks.

Mr. Luce: It is difficult to understand what the right hon. Gentleman would like us to do. On the one hand, he says that it is right to seek a diplomatic solution—which is precisely what we are trying to do—and, on the other, he seems, in a veiled way, to suggest that we should take some other action. I hope and believe that the House wishes the Government to do whatever they can through diplomatic channels to achieve a peaceful settlement of the problem. As I have said, in the meantime we are reviewing the security situation. It is necessary to do that, and HMS "Endurance" will remain in the area for as long as is necessary.

Mr. Healey: The hon. Gentleman has missed the point. The Government have consistently argued that negotiations on such matters cannot succeed unless carried out from a position of strength. The Government have left Britain in a position of extreme weakness as a direct result of their defence priorities. That is why we face a damaging humiliation in a situation that the Government should never have allowed to arise.

Mr. Luce: Despite the right hon. Gentleman's wealth of experience, his remarks do not particularly help the situation. We are trying to seek a diplomatic solution to the problem. That is the desire of all those who seek peace in the area. It is right that we should do that. However, as I said last week, it is the British Government's duty to support and defend the islanders to the best of their ability.

Nevertheless, it is surely preferable that we should do our utmost to seek a diplomatic solution, and we are trying to do that.

Sir Anthony Kershaw (Stroud): Is it not satisfactory that the impudence of the Argentine Government is matched only by that of the right hon. Member for Leeds, East (Mr. Healey) whose policy was to reduce the Royal Navy and that has led to this state of affairs? Would it not be a good idea if, besides sending massive shipments of grain to Russia, the Argentine concentrated on putting its own house in order and did not indulge in these foreign adventures?

Mr. Luce: My hon. Friend knows something of the problem, and all concerned would agree that it would be sensible not to take provocative action. We should take action that is designed to bring about a peaceful resolution of the problem.

Mr. J. Enoch Powell (Down, South): Is it the Government's view that public opinion in this country would support, if necessary, the use of force to maintain British sovereignty over the Falkland Islands and the dependencies?

Mr. Luce: I should firmly point out that we claim and have sovereignty over the area and there is no shadow of doubt that, if it comes to the point, it will be our duty to defend and support the islanders to the best of our ability. However, our objective is to seek every diplomatic method possible to obtain a peaceful solution.

Sir Bernard Braine (Essex, South-East): Does my hon. Friend agree that this comic opera would never have taken place but for the Government's continual assertion that we have sovereignty over the Falkland Islands and that nothing will happen as long as the islanders wish to remain British, while at the same time they have forced them into dependence on the Argentine for access to the outside world and have threatened to withdraw and will withdraw the only Royal Navy ship in the area?

Mr. Luce: My hon. Friend implied that there might be some contingency plans afoot. About time! Will he give an assurance that he will make a statement on the subject next week?

Mr. Luce: As my hon. Friend will have noted, we are reviewing the security situation and HMS "Endurance" will remain on station for as long as necessary. That is the Government's firm decision. My hon. Friend referred to the communications agreement, signed in 1971. However, to suggest that it was forced upon the islanders is unfair, because they gain certain advantages from co-operation. Therefore, it is unfair to say that the agreement was forced on them. They want the best possible communications with the outside world.

Several Hon. Members rose—

Mr. Speaker: Order. I hope that questions and answers will be brief. I shall allow them to continue until 4 o'clock, when another statement will be made.

Mr. A. J. Beith (Berwick-upon-Tweed): Is not one of the lessons of this affair that any sign of weakness by the British Government, such as the lease-back proposal and the threat to the future of HMS "Endurance", will be exploited by the Argentinians? Is not the Falkland Islanders' right to self-determination at stake?

Mr. Luce: I shall take advantage of the hon. Gentleman's question to repeat that the islanders' wishes are paramount. There should be no change in the situation without the consent of the islanders or that of the British Parliament.

Sir Nigel Fisher (Surbiton): My hon. Friend keeps repeating that we shall stay in the area and help the islanders to the "best of our ability". The trouble is that we have not got the ability. HMS "Endurance" is better than nothing, but in the circumstances it is not enough. What else do the Government propose to do?

Mr. Luce: I know of my hon. Friend's long-standing interest in the subject, but I am sure that he will understand that it would be wrong for me to comment in detail on the security review that we are undertaking. For all our sakes and, above all, for the sake of the islanders, it is most important that we should seek a peaceful diplomatic solution to the problem in South Georgia.

Mr. Eric Ogden (Liverpool, West Derby): Is the Minister aware that his positive response to the mood of the House last week and his quiet determination to maintain and defend British interests in the whole of the South Atlantic should be appreciated by the House? This is what we would expect from the grandson of Admiral Luce, who played an effective part in an earlier battle of the Falkland Islands.

Before some enthusiast outside the House suggests that we should "nuke" the beggars, is it not ludicrous that the sheer incompetence and mismanagement of an Argentinian scrap dealer of dubious probity should now lead to confrontation between two navies that ought to be co-operating? Is that not providing unwise enthusiasts in the Argentine with an opportunity to attempt to divert attention away from their problems? Will the Minister confirm that the British forces available to the Government are by no means as weak as some may assume?

Mr. Luce: I am grateful to the hon. Gentleman for his personal remarks. However, he should not assume that I shall follow exactly what my grandfather did in 1914.

Once again, I reassure the House that we have a duty to the islanders and shall defend them to the best of our ability. We are merely asking Mr. Davidoff and his men to seek the proper authority from those in Grytviken to proceed with the sub-contract.

Sir John Eden (Bournemouth, West): Will my hon. Friend reassure the House that in seeking a diplomatic solution he is taking the initiative, and that, if there were a need for other measures, he would act with speed and determination?

Mr. Luce: I can give my right hon. Friend that assurance.

Mr. Michael English (Nottingham, West): The whole House will be interested in the precedent that the Government have created by asking a country to help in removing its illegal immigrants who are on British territory. Is the precedent to be extended? Will China, Pakistan and India be similarly asked to help?

Mr. Luce: I would be well advised to stick to the issue of the Falkland Islands.

Sir Frederick Burden (Gillingham): Does not my hon. Friend realise that last week there was great concern in the House when he made his statement, because he made it

[Sir Frederick Burden]

clear that the men were conveyed by a ship belonging to the Argentinian Navy? I hope that my hon. Friend will bear in mind that the Argentine Government must have known that the men were going to the Falkland Islands. We have given undertakings to the people of the Falkland Islands—a British colony—and, while doing everything possible to settle the dispute by diplomatic means, we must take measures to ensure that any follow-up by force by the Argentine to that possible probing operation does not succeed. I draw my hon. Friend's attention to Early-Day Motion 368, which clearly expresses the feelings of many Conservative Members.

Mr. Luce: The Government and the House noted that the landing of a number of men on 19 March was undertaken with the use of an Argentine naval vessel. Of course, that caused us concern, and it continues to cause us concern, but that does not detract from the fact that it is important to work as hard as we can for a diplomatic solution.

Mr. A. E. P. Duffy (Sheffield, Attercliffe): Now that the Secretary of State for Defence has received an object lesson in the irreplaceable value of a visible naval presence, will the Minister convey to his right hon. Friend that a much more compelling deployment than HMS "Endurance" will be required if the Falkland Islands problem is to subside? Does the Minister agree that that type of requirement, together with support, makes nonsense of the defence cuts in surface ships over the past year and shows how misconceived are the Government's present defence priorities?

Mr. Luce: I know of the hon. Gentleman's keen interest in defence. I have already stated that we are undertaking a security review and that we shall defend the islands if necessary. I still express the hope that this will not be necessary.

Mr. Keith Speed (Ashford): Is it still the Government's intention to scrap HMS "Endurance" when the present emergency is over?

Mr. Luce: I have undertaken, and the Secretary of State for Foreign and Commonwealth Affairs has undertaken, that HMS "Endurance" will remain on station for as long as is necessary. Its future will be examined in the light of a general security review that we are undertaking for the Falklands area.

Mr. John Evans (Newton): Why is not our possession of a vastly expensive independent nuclear deterrent deterring the Argentinians?

Mr. Luce: I am Minister of State at the Foreign and Commonwealth Office and not the Secretary of State for Defence.

Sir John Biggs-Davison (Epping Forest): Disregarding the quaint expression of jingoism from the Opposition Front Bench, may I ask my hon. Friend whether he is aware that many of us believe that it is better that the precautionary measures for the maintenance of British sovereignty and the protection of British subjects should be effective rather than that they should be publicised? Will my hon. Friend confirm that the foreign flag that was raised on British territory in South Georgia flies there no longer?

Mr. Luce: I am grateful to my hon. Friend for his opening remark. I can confirm that the foreign flag did go up for a short time, but it has been taken down.

Mr. Eldon Griffiths (Bury St. Edmunds): I welcome what my hon. Friend the Minister has said about the Government's intention to defend and support to the best of their ability the legitimate interests of the Falkland Islands and their dependencies. Will my hon. Friend confirm that the ability that is available will be maintained and that he will have regard not merely to the incident concerning a scrap dealer and who stamped his passport but to the wider British interests in oil and gas, fishing and the strategic advantages of that part of the world?

Mr. Luce: I can give my hon. Friend an assurance that we shall take all those factors into account. However, the dispute over the future of the islands remains. It would be in everyone's interests if it could be resolved but, at the end of the day, if it is necessary we shall defend the islanders to the best of our ability.

Mr. James Callaghan (Cardiff, South-East): I support the Government's attempts to solve the problem by diplomatic means, which is clearly the best and most sensible way of approaching the problem, but is the Minister aware that there have been other recent occasions when the Argentinians, when beset by internal troubles, have tried the same type of tactical diversion? Is the Minister aware that on a very recent occasion, of which I have full knowledge, Britain assembled ships which had been stationed in the Caribbean, Gibraltar and in the Mediterranean, and stood then about 400 miles off the Falklands in support of HMS "Endurance", and that when this fact became known, without fuss and publicity, a diplomatic solution followed? While I do not press the Minister on what is happening today, I trust that it is the same sort of action.

Mr. Luce: I am certain that the House and the Government listened to what the right hon. Gentleman said with great respect. The Government note what he has said.

Mr. Neil Thorne (Ilford, South): While appreciating that my right hon. and noble Friend the Secretary of State for Foreign and Commonwealth Affairs wishes to deal with the matter through diplomatic channels, and not wishing to compromise him on the methods being used, could not my hon. Friend be a little more positive rather than saying that the Government will use their best endeavours to achieve a solution in this matter to the comfort of our interests throughout the world?

Mr. Luce: As I said in my statement, we cannot underestimate the dangers of the present situation. It is important to do what we can to achieve a sensible resolution of the problem in South Georgia. We have the wider interests of the islanders very much at stake and very much in mind. I can assure my hon. Friend that we shall live up to the assurances that I gave earlier.

Mr. John Stokes (Halesowen and Stourbridge): Is my hon. Friend aware that, while we support his diplomatic efforts and do not want a Anguilla type operation—as some Members on the Opposition Front Bench seem to want—it must be made clear to Argentina and to the world that on British territory the British view will prevail?

Mr. Luce: I am grateful to my hon. Friend. As a result of the statement, I hope our position is absolutely clear.

Mr. Albert McQuarrie (Aberdeenshire, East): While I accept what the Secretary of State has said about the United Kingdom having sovereignty and wanting to look after the interests of the people of the Falkland Islands, would it not be better when there are so few people involved, to implement part of the British Nationality Act to give the Falkland islanders who are still on the islands the right of British nationality and let the Argentine Government see that the territory is still definitely a British possession?

Mr. Luce: My hon. Friend has expressed that view before. There are 1,800 islanders. Of those, 1,400 have the right of abode in Britain. Last year my right hon. Friend the Home Secretary gave an assurance that we would consider all the other cases sympathetically if necessary. I do not believe that what my hon. Friend has suggested is the right way to approach the matter. It is in everyone's interests to find a peaceful resolution to the problem. That is the British Government's responsibility, but we have a duty to the islanders to defend and support their interests.

Mr. Richard Alexander (Newark): Are we not making heavy weather of this matter? Would not the sensible answer be for the Royal Marines to round up these 12 "Steptoes", put them on a boat and pack them off where they came? Would not any country do that?

Mr. Luce: I hope that my hon. Friend will pause and reflect on the position in the area and on our responsibility to the islands as much as anything else. Every move that we make must be carefully judged. Our objective must be a peaceful resolution of the problem.

Mr. John Farr (Harborough): I remind my hon. Friend that it ill behoves the right hon. Member for Leeds, East (Mr. Healey) to accuse the Government of being spineless. The Labour Party was in office when the Falkland islands

were occupied by a party of Argentians and it did nothing. That occurred on the island of Southern Thule. I assure my hon. Friend that any firm action that the Government take will be fully supported by Conservative Members. Will he reconsider the long-term future replacement of HMS "Endurance" in the South Atlantic?

Mr. Luce: I am grateful to my hon. Friend for his support. On the question of the future of HMS "Endurance", I have already made it plain in answer to my hon. Friend the Member for Ashford (Mr. Speed) that HMS "Endurance" will remain on station for as long as is necessary, but that we are undertaking a general security review of the Falklands area. We shall take into account in the review the point about the long-term future of HMS "Endurance".

Mr. Healey: Is it not clear from the exchanges to which we have listened that the Government accept that the landing of the men in South Georgia was a deliberate provocation by the Argentinian Government—for what purpose I do not know—and that it took place because the Government have not taken the sensible precaution of assembling adequate naval forces in the area as the Labour Government did in a similar situation? Will the Government learn from this experience that they must exercise more influence on the shape and deployment of our Armed Forces than they are doing at present? This is the first price that we are paying for a dreadful error in priorities in the Government's defence policy.

Mr. Luce: It is easy for the right hon. Gentleman to preach to us about how we can avoid disputes. We are doing our best to resolve the problem. We have a duty to the islanders, and I have repeated that time and again. I do not think that it helps to try to make comparisons between what previous Governments have done and what this Government have done. We are in a serious situation, and we are trying to resolve it peacefully.

Mr. Waddington: The regulations relating to industrial tribunal procedures were consolidated some 18 months ago. My right hon. Friend has no plans at present for any further consolidation.

Mr. Janner: Does the Minister accept that the present industrial tribunal system does not provide adequate protection for employed people? Does he know that 74 per cent. of all claims for unfair dismissal compensation fail, and that at a time when most people are unfairly dismissed do not bring claims because to do so would be a passport to permanent unemployment?

Mr. Waddington: The fact that 27.7 per cent. of applications succeed does not mean that justice is not being done. About two-thirds of the total number of complaints are withdrawn or settled at the conciliation stage. It shows that ACAS is doing a good job, and that the burden on the tribunals is being relieved.

Mr. Harold Walker: Is the hon. and learned Gentleman aware that the statement that he has just made springs directly from the tightening of the tribunal regulations, which were deliberately designed by the Government to make it more difficult for people who are unfairly dismissed to obtain compensation from the tribunal?

Mr. Waddington: I do not agree with the right hon. Gentleman. At a moment when there were 35,747 applications last year, and the 27.7 per cent. success rate is not out of line with what one would expect, bearing in mind the large number of cases that were settled.

Wages Councils

14. **Mr. John Townend** asked the Secretary of State for Employment if he will make a statement as to the extent which the United Kingdom's membership of the International Labour Organisation might restrict the Government's rights to propose to amend or abolish wages councils.

Mr. Tebbit: The United Kingdom's ratification of International Labour Convention No. 26 requires the Government to maintain minimum wage-fixing machinery in trades or parts of trades in which no arrangements exist for the regulation of wages by collective agreement or otherwise, and in which wages are exceptionally low; but particular wages councils can be changed or abolished where appropriate under the provisions of the Wages Councils Act 1979.

Mr. Townend: Does my right hon. Friend agree that the wages councils' regulations are making a mockery of the Government's attempts to create jobs for school leavers under the young workers schemes? As the ILO presumably has an interest in reducing unemployment, would the Government consider approaching that organisation to see whether it would agree to take 18-year-olds and under out of the jurisdiction of the wages councils? If not, will the Government take unilateral action and turn a Nelsonian blind eye?

Mr. Tebbit: I entirely agree with my hon. Friend—

Mr. Harold Walker: What! Entirely agree with that lot?

Mr. Cryer: Cheap labour.

Mr. Tebbit: I have no intention of trying to make myself heard over barracking from the Opposition.

Mr. Cryer: Get on with it.

Mr. Speaker: Order. The hon. Member for Keighley (Mr. Cryer) must stop shouting all the time. I do not believe that anyone should have to fight to be heard in this House.

Mr. Cryer: *rose*—

Mr. Speaker: Order. There is no point of order on that.

Mr. Tebbit: As I was saying, I entirely agree with my hon. Friend that excessive wages among youngsters or among older workers, put people out of work—

Mr. Walker: Shameful.

Mr. Tebbit: The right hon. Member for Doncaster (Mr. Walker) may not understand that, but the Ford Motor Company, in cutting the prices of its products, understands it well enough. I shall certainly consider what my hon. Friend the Member for Bridlington (Mr. Townend) said, and I am seriously studying how we can best avoid wages councils putting youngsters out of work and preventing others from coming into work. I notice that in the light of representations made by employers, and perhaps in the light of the letter written by my right hon. Friend the Minister of State, some wages councils have recently changed their provisional recommendations.

Mr. Cryer: On a point of order, Mr. Speaker.

Mr. John Grant: On a point of order, Mr. Speaker.

Mr. Speaker: Order. I shall take points of order after questions.

PRIME MINISTER

Engagements

Q1. **Mr. Brotherton** asked the Prime Minister if she will list her official engagements for Tuesday 30 March.

The Secretary of State for the Home Department (Mr. William Whitelaw): I have been asked to reply.

My right hon. Friend is attending a meeting of the European Council in Brussels.

Mr. Brotherton: In the light of yesterday's debate on Trident, will my right hon. Friend take time today to consider the need for this country to maintain adequate surface forces? In particular, in view of what is happening in the south Atlantic, will he say that Her Majesty's Government realise the benefits and value of HMS "Endurance", and tell us what steps the Government now propose to take, in view of the value of that ship, either to replace her or to keep her in service?

Mr. Whitelaw: Certainly, the Government accept the value of HMS "Endurance". In answer to my hon. Friend's other question, after all the changes that have been made by my right hon. Friend the Secretary of State for Defence, the Royal Navy will remain one of the largest and best equipped Navies in the world, apart from those of the two super Powers.

Mr. John Grant: Does the Home Secretary realise that many of us deplore the continued failure by the Prime Minister to accept the link between rising crime in London

and the inner cities and the Government's economic policies, but that on the other hand we also deplore the kind of remarks that were made yesterday by Mr. Ken Livingstone, when he attacked the new Commissioner of Police of the Metropolis before that gentleman has even got his feet under the desk at Scotland Yard? [HON. MEMBERS: "Too long".] Does he accept that the new commissioner should be given a fair run, and that he should be given the support of the people at large—

Mr. Speaker: Order. Hon. Members should be able to put their questions succinctly and to come to a conclusion.

Mr. Grant: May I remind the House that the new commissioner was a London bobby on the beat in the London borough of Islington?

Mr. Whitelaw: As my right hon. Friend the Prime Minister, I and many other Ministers have always said, unemployment is a factor, but it is not the only factor, and it is certainly no excuse for the increase in crime. I find Mr. Livingstone's remarks about the new commissioner most deplorable and exceptionable in every way. The new commissioner has been appointed and will take office in October. He has an excellent record as a police officer in this country and in Northern Ireland. The hon. Gentleman is right. He was a considerable figure in London's police force before he went to Northern Ireland and has been a bobby on the beat. I deeply resent Mr. Livingstone's implications.

Sir William Clark: Will my right hon. Friend draw to the Prime Minister's attention the speech made yesterday by the Governor of the Bank of England, and the CBI report, which both show that our economy is picking up? Does he agree that we should cheer and not jeer about that news, which proves that our policies are working and that it would be folly to change them?

Mr. Whitelaw: I entirely agree with my hon. Friend. I, too, find it extraordinary that Opposition Members jeer rather than cheer about good news.

Mr. Foot: Can the right hon. Gentleman tell us when the Prime Minister said that she accepted the connection between the rate of unemployment and the crime rate, as he said that all Ministers had done so? Will he take account of the fact that a few minutes before he began to answer these questions the Secretary of State for Employment acknowledged the fact that unemployment was soon likely again to be over 3 million and that a major contributory factor would be the number of young people coming on the register? What effects does the right hon. Gentleman believe that that fact will have this summer in Toxteth, Brixton and in many other places? [HON. MEMBERS: "Disgraceful!"]

Mr. Whitelaw: I find the right hon. Gentleman's last question highly deplorable. I should have thought that every hon. Member would wish to see peace on our streets and no more riots of any sort this summer. For the right hon. Gentleman to suggest that riots might occur is highly irresponsible.

I repeat that the Prime Minister, I and other Ministers have always made it clear that unemployment is a factor. But many other factors play a part in the problems of crime. There are many other difficulties and a great many other factors, for which every hon. Member has a responsibility. The right hon. Gentleman knows that very well.

Mr. Foot: If the right hon. Gentleman finds anything deplorable in what I have said, why does he not go away and do his duty by again reading the Scarman report, which justifies up to the hilt everything that I have said?

Mr. Whitelaw: I simply find it deplorable that the right hon. Gentleman should suggest that there is any excuse whatever for crime or riots on our streets.

Mr. Foot: Will the right hon. Gentleman accept that he knows perfectly well that there is a connection between mass unemployment, particularly among young people, and the riots, which is what the Scarman report said? Does he not accept that the Government should wake up and do their duty to prevent mass unemployment?

Mr. Whitelaw: The right hon. Gentleman knows very well that the Government have taken many very important steps following the Scarman report. Such steps will continue to be taken. But nothing that Lord Scarman or anybody else says can excuse violence or riots on our streets. The right hon. Gentleman knows that very well.

Lord James Douglas-Hamilton: In view of the importance to the Highland economy, will my right hon. Friend do everything within his power to make a suitable power contract available to an operator for the Invergordon smelter?

Mr. Whitelaw: That matter is being considered by my right hon. Friends. I have nothing further to say at this stage.

Q2. Mr. Ray Powell asked the Prime Minister if she will list her official engagements for Tuesday 30 March.

Mr. Whitelaw: I have been asked to reply. I refer the hon. Gentleman to the reply that I gave some moments ago.

Mr. Powell: On behalf of the Prime Minister and the Government will the right hon. Gentleman admit to the disgraceful folly of selling five battleships to Argentina, which are now being used against us in our British protectorate in the Falkland Islands?

Mr. Whitelaw: I have no knowledge that we ever did such a thing.

Mr. Eldon Griffiths: During a week in which my right hon. Friend successfully routed his critics and confirmed his authority as Home Secretary, may I ask whether he had time to notice the application of stop and search powers by certain pickets at the Massey Ferguson factory? Can he explain why, when stop and search powers are exercised unlawfully by pickets they are supported by certain Labour Members, whereas the proposition that the police should have stop and search powers, approved by the House, is opposed by them?

Mr. Whitelaw: I agree with my hon. Friend. I find the contrast most extraordinary.

Mr. Soley: What explanation do the Government have for the failure of their law and order policies?

Mr. Whitelaw: The hon. Gentleman and many others on the Opposition Benches who now propose that there should be more bobbies on the beat should realise that they removed them in the first place.

Q3. Mr. John Townend asked the Prime Minister if she will list her official engagements for 30 March.

Mr. Whitelaw: I have been asked to reply.

The morning Lobby was repeated. We pointed out that the answer to Written Question No 66 was not now expected until tomorrow.

FALKLAND ISLANDS

We could not go into details of any options that were being considered or whatever back-up forces might be available to HMS Endurance. The review of security would involve Defence and FCO Ministers. In answer to a question we said that if a ship which was committed to NATO was to be withdrawn from the NATO area then presumably NATO would be informed. However we stressed that we were not prepared to comment or give any guidance on whatever options might be under consideration.

EUROPEAN COUNCIL

The Prime Minister was expected to make a Statement tomorrow.

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