

✓ 6/4

PRIME MINISTER

DIARY

Falkland Islands.

Further Ministerial appointments.

EC: Informal meeting of Employment Ministers, Brussels.

Urban Development Grant announcement.

Western Banks sign 1981 Polish Debt rescheduling agreement.

Royal Society of Health Conference, Kensington Town Hall.

Engineers and Managers Association, Electrical Power Engineers Association Annual Delegate Conference, York.

Statistics:

Provisional figures of vehicle production (Mar).  
London clearing banks' monthly statement (mid-Mar).  
Provisional estimate of money supply (mid-Mar).

Publications:

Police Complaints Board Report 1981 (3.30 pm).  
Economic Progress Report.  
Labour Force Survey 1979.  
Live births during 1981.  
Census 1981 County Monitor - Clwyd.  
Census 1981 County Monitor - North Yorkshire.  
Census 1982 County Monitor - East Sussex.  
Report of the working party on Research Training for Scientists.  
Census 1981 County Monitor Greater London Supplement: Hackney-Islington Special Area.  
Census 1981 County Monitor Greater London Supplement: Lambeth Special Area.  
Census 1981 County Monitor Greater London Supplement: Docklands Special Area.

Pay:

Nurses and Midwives Whitley Council. Further discussions on 6.4% offer.  
NHS Electricians: Joint Negotiating Committee meets on claim for "Private Sector Parity".

Parliament:

Commons:

Questions:

Prime Minister, Social Services.

Business:

Second Reading of the Finance Bill.  
Merchant Shipping (Liner conferences) Bill.

Select Committees:

FOREIGN AFFAIRS: OVERSEAS DEVELOPMENT SUB-COMMITTEE: Overseas Development Administration Supply Estimates 1982-82. (Witnesses: Overseas Development Administration).

Lords:

Coal Industry Bill: Third Reading.  
Social Security & Housing Benefit Bill: Second Reading.  
Industrial Relations (HI) Order 1982: Motion for Approval.  
Administration of Justice Bill(HL); Committee.  
U.Q. on financing a British component in the A320 Airbus as part of the policy of encouraging European collaboration in growth areas of advanced technology.

Minsiters - see Annex

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PRESS DIGEST

Falklands

- Main points - Telegraph and Times alleged from unimpeachable sources that we knew of invasion plan 10 days ago and ignored it; Superb close enough to have sunk some of Argentinian invasion fleet.
- Lord Carrington before he left secured agreement with Chile on use of port as supply base.
- 6 or 7 marines on Falklands captured - betrayed, it is said, by Falklander.
- Lord Carrington reveals leaseback scheme which was torpedoed by Julien Amery.
- Argentinians reinforcing 4,500 men on Falklands; 500 of our task force face redundancy.
- Public opinion polls show strong public support - ITN 70 per cent vote for RN sinking Argentine ships; NOP 69% believe it very important and 14% fairly important we regain Falklands.
- Suggestions that Government will ban UK participation in World Soccer Cup which Argentinians hold.
- Mr Heath's friends claim he has been snubbed by you after sending message from Peking offering services.

Summary:

- Main coverage splits three ways: resignations from a shaken, reeling Government; the sailing of the Fleet; and the account of Governor and Marines who claim to have killed 15 Argentinians during 3½ hour engagement.
- Much coverage of Lord Carrington which is personally reasonably well disposed but seizes opportunity to knock FCO.

- Considerable welcome for Mr Pym though his blue blood and irony of his removal from Ministry of Defence noted.
- Your broadcast statement - no thought of failure - comes through strongly.

On the Falklands:

- Governor gave order to surrender without any instructions from London.
- BBC broadcasts to be increased from 1.5 to 3.5 hours a week.
- Islanders to learn Spanish.
- Fears for the Antarctic Research Treaty; BAS plans to evacuate scientific and photographic team from S. Georgia.

Economic Fall out:

- Wenow seek EC support for economic sanctions against Argentina.
- Operation will cost £50m; blank cheque from Treasury; Defence cash limit effectively obliterated.
- £ falls and City wipes £2.5bn off value of shares.
- Tesco remove Argentina corned beef from supermarket shelves; but Sainsbury's will leave it to customer.

Arm Chair Strategy:

- Keith Speed, Express, sets out his battle plan; at the moment we can supply fleet because Nott cuts have yet to bite.
- Vice Admiral in Times says that in contrast to Suez political aims - and therefore military - clear cut and unambiguous and can be supported wholeheartedly diplomatically.
- Reporters from Argentina speculate we will first try to re-take S. Georgia and draw Argentinian fleet into open sea.

International Support:

- NZ breaks off diplomatic relations and offers help.
- Mirror says world opinion almost solidly behind Britian.
- US working desperately hard to avoid military confrontation.

Help at Home:

- Benn booed at Tribune meeting and storms out saying we shouldn't fight; wants us out of Falklands.
- SDP to give Govt full backing.
- Labour withholds unqualified support and Healey still baying for your blood which earns him the brickbats of D/Star.
- Alan Clark MP wants to know whether there was collusion between Britain and Argentine over invasion since we had no casualties.

Comment:

- D/Star: Resignations must now take crisis above politics; Lord C's decision must result in national unity; Opposition must support RN.
- Sun: Lord Carrington did right and honourable thing; catastrophic misjudgement; Mr Pym's strength has replaced weakness; you are facing sternest test of any PM since World War II but you have nation behind you.

- Mirror: Lord Carrington right to go and Nott right to want to do so; you would be wrong to oppose Nott for too long; Pym will find it easier to fill Lord C's chair than his shoes; blame belongs to whole Cabinet.
- Express: It might have been better if Lord C had stayed on to see if he could extricate the diplomatic solution he hoped for; you cannot have made a better choice than Mr Pym.
- Mail: Lord Carrington preferred to play world statesman than bother about remaining bit of Empire; your instincts are sound and people believe you have what it takes.
- Telegraph: resignations should help to clear the air; but will weaken Govt; if Islands are to be recovered Govt needs to go calm to work supported by national confidence; may it merit that confidence.
- Times: Resignations consistent with the man.
- Guardian: Looking across whole range of Govt incompetence hard to accept Lord Carrington deserves to be at head of default.
- FT: Govt's world turned upside down just as things seemed to be going right; regaining sovereignty at best a short term task but what happens after we have regained them; long term aim must be to disengage from the area.

#### Economy

- Inflation coming down rapidly with some excellent WPI figures; but for Falklands the Govt would now be basking in warm spring economic sunshine.

#### Unions/Pay

- TUC agrees 8 point plan to fight Employment Bill and already has over £600,000 towards film fighting fund; Scargill first in queue for martyrdom.
- Power engineers making threatening noises over pay.
- Equity says no decision will be made on whether or not to take Govt money for ballots until there has been a referendum.
- Dockers in London get improved bonuses after £2m dispute.
- Moderate succeeds in CPSA election.

#### Education

- Children could lose chance of decent education because of spending cuts - HMI: primary and secondary schools under serious threat.

#### Ireland

- Not much of a welcome on the mat in Ireland for Mr Prior's proposals but Guardian says they are timely and should be welcomed unreservedly.
- Times says one recurring error - dismissal of direct rule.

#### Industry

- Financial Weekly to close; ITV to launch breakfast TV early next year in line with BBC.
- British companies in South Africa pay most of black workers above lower subsistence level.

- BP wants another 5p on oil prices and thinks price war may be coming to end.
- Industry Bill providing flbn more of selective assistance.
- Ecology Research Group says Windscale would not be licensed in another country and radioactive emissions will cause 30 cancer deaths.
- Massey Ferguson carries out threat to send work abroad - to France - because of Coventry strike.
- 1500 Mersey docks jobs to be shed.
- Vauxhall joins car price war.

Italy

- Mrs May dies of exposure - pathologist.

US

- Reagan: Proposes UN meeting on disarmament when Brezhnev visits New York in July.

B. INGHAM  
6 April 1982

Ministers:

Sir Geoffrey Howe at striking of first £1 coin, Llantrisant.

Sir Keith Joseph addresses the Federation of Conservative Students, Loughborough. (5.00pm).

Mr Lawson addresses the Electricity Power Engineers Association, York.

Mr Howell meets Mr De Croo, Belgian Transport Minister. (2.30pm).

Mr Tebbit attends EC informal meeting of Employment Ministers, Brussels.

Mr Rossi addresses Haringey Disablement Association, Civic Centre, Wood Green, London. (7.00pm).

Mr Blaker meets Sir Edward Youde, Governor Designate, Hong Kong.

Mr Waldegrave addresses University Directors of Industrial Liaison Conference, Oxford. (10.15pm).

Mr Baker opens Computeach new building extension, Drayton House, London.

Mr Baker speaks at RUCC Management Conference dinner.

Mr Wakeham visits BSC Stocksbridge and speaks at Sheffield City Polytechnic.

Mr Fletcher meets Scottish Trades Union Congress, London.

Lord Ferrers opens Fish Farming Conference, Harrogate.

Sir George Young visits Northampton.

Mr Rees speaks at Middle East Association annual lunch.

Dr Vaughan visits Advertising Standards Authority.

Mr Sproat meets Mr Croo, Belgian Transport Minister.