

PRIME MINISTER

DIARY

Falkland Islands.

Secretary Haig's visit.

House goes into Recess.

London Peace Action Demonstration (Falklands),

ODA announce Crown Agents Australian properties sale.

Rating and Valuation Association Scottish Conference, Peebles.

Publications:

Family Expenditure Survey 1980.

Pay:

Electricity supply manuals (EEPTU, GMWU, AUEW, TRWU): Further discussion following rejection of offer.

Parliament:

Commons:

Questions: Prime Minister, Treasury.

Business: It is proposed that the House will meet at 9.30am, take Questions until 10.30am, and Adjourn at 3.30pm until Monday 19 April.

Ministers:

Mr Fletcher attends opening of Filmhouse, Edinburgh.
Mrs Chalker opens the Motorcycle Show, Birmingham.

TV/Radio:

Mr Whitelaw, BBC Radio 2, "Jimmy Young Programme".
Mr Howell, BBC 1 "Question Time"

PRESS DIGEST

FALKLAND ISLANDS

Parliament:

- Mr Pym triumphs and Mr Nott's greatly improved performance noted as Govt announces blockade of Falklands from Easter Monday, with threat to sink any offending Argentine Naval vessel - an announcement, Guardian says, which took MPs by surprise.
- Underlines Govt's determination to negotiate from strength.
- Mirror says there was anger in Washington over this new demonstration of UK resolve.
- Argentines say that if one of their ships is sunk it will be war; one Russian sub reported to be in area - exclusion zone applied to all shipping.
- Some claims we have 4 subs on station in South Atlantic; Mail publishes list of 29 ships in task force.
- Callaghan wants Mr Heath to take over inner Cabinet task force to concentrate on dispute.
- FT says MPs have become more sombre and less bellicose and more aware of the military difficulties.

Haig:

- Disagreements over purpose of visit: some say this is only a preliminary stage in seeking solution; not coming as a mediator - a term we don't like.
- But Times, among others, rehearses number of options for future of Falklands which it says Haig will float; Hong Kong format seems favoured. Poll in Hong Kong shows that 9 out of 10 want to be ruled from London when lease runs out.
- Owen attacks Benn claiming he was part of group in Labour Govt which sent warships to Falklands.

On Falklands:

- We ask Red Cross for help in locating missing 22 Marines on South Georgia; two girl photographers reported safe.
- Sun pictures of Marines surrendering on Port Stanley.
- Mail says Argentines will have harder job than thought in defending Islands because of coastline.

In Argentina:

- Telegraph says there has been a subtle change over last few days in Buenos Aires - have we bitten off more than we can chew?
- In New York their Envoy says they are ready for a deal and withdrawal could be part of overall settlement but that settlement must deal with 3 points of UN resolution in parallel.
- Express says we have a spy highly placed in Argentina Govt who sent us copy of invasion plan.
- Argentina calls for volunteers to back up troops; to pay for enterprise with patriotic tax.
- A Briton is their leading missile expert.

International:

Moscow begins to trim its sails on support for Argentina emphasises neutrality; worried about its supplies of food.

All important arms suppliers in EC ban exports to Argentine but hesitate over wider sanctions.

Canada withdraws Ambassador but not diplomatic relations.

Brazil reaffirms neutrality.

Mail says feeling in Chile is that if Argentine Navy is blown out of water it couldn't happen to a more deserving country.

Economic measures etc:

Stock market in UK rallies on hopes of settlement; but shares £3bn down on week and £ 3c down on \$; Times says naval battle could have serious consequences for £.

Sam Brittan says if costs really mount it would be better to raise taxes sooner rather than later.

Mirror says cost will be minimum of £50m.

Patrick Sergeant, Mail, says he hopes we are as firm as you when cost of expedition are known; indirect taxes will be raised rather than borrowing to pay for it; expedition should not damage economy - main risks come from US economic performance.

Financial sanctions cut off Argentine from £426m and Argentine sends two officials to Washington to find other ways of raising finance.

10 tankers may be chartered to supply task force with water and oil.

Comment:

Sun: Haig is welcomed as friend and ally but not merely as mediator; issue can't be fudged; we deserve nothing less than 100% support from US; Argentine aggression must not be allowed to pay off.

Express: more than hint that junta having second thoughts; must get out of Falklands before negotiation.

Mirror: using armed force last resort; peaceful settlement in everyone's interests; only diplomacy and negotiation can bring solution.

Mail: this is not a Gilbertian charade; task force has overwhelming support of British public and party opinion everyone great deal to lose but we shall lose a great deal more by taking Argentine aggression lying down. Chalford says key to solution lies in Washington; not possible Argentine will withdraw and start again and inconceivable Britain will accept invasion; condominium best hope for lasting settlement.

Andrew Alexander suggests Mr Pym has quickly fallen into the hands of the FCO.

Telegraph: 48 hours Govt on Conservative party seemed to be in disarray; now it is Labour Party which seems at sea.

Times: we cannot contemplate a solution until we have secured safety of Islanders; Mr Haig should be told forcibly that we have backed the Americans in the past and existence of your Govt depends on successful outcome of venture.

Guardian: House full of uncertainties; Haig arriving at a useful time.

Pay and Disputes

- COHSE representing 240,000 nurses and ancillary workers plans industrial action over pay claim to start in about days time.
- Unions at Wandsworth threaten action over Council's plans for private refuse collection.
- Tube train drivers offered 5 per cent.
- Mr. Tebbit says calls for "madcap strikes" are now falling on deaf ears.
- MSC press for changes to youth training scheme. Pressure on TUC members to withdraw.

Economy

- NEDC withhold Treasury simulation of economy. Times, page 17, has critical comment.
- NEDC paper suggests that productivity gains may not continue when economy picks up.
- Chairmen of TI and GKN pessimistic at signs of upturn.
- FT leader comments on relatively good performance of index linked gilts.

Companies

- Ford had 39 per cent of new car market in March, compared with BL 16.4 per cent.
- Rolls Royce pre-tax profit last year.
- Rowntree Mackintosh sell stake in Huntley and Palmer.
- Sotherbys running into loss.

Nationalised Industries

- EFL's cut by about £180m. for 1982/83.
- ASLEF dispute will cost taxpayer £57m to cover lost coal sales and grants to CEGB.
- LT claims it has lost one million passengers since fares increase.

Taxation

- DPP to investigate possible £15m tax fraud involving Sir Charles Clore's estate.

Computers

- Users of Computer Health Personnel Data will have to register with independent registrar. Guardian says it may be delayed until 1985.

- DHSS may scrap plans to computerise social security system.

Education

- New 17 plus course including work experience to be introduced.
- Times leader particularly supports findings of report on university research.

Child Benefits

- Four million out of 13 million moths still choose weekly payments.

Law and Order

- Television had little effect on rioting last summer, according to Broadcasting Research Unit.
- Lord Scarman thinks tide has turned.
- IRA agents in America trying to buy sophisticated weaponry.

International

- EEC deliver document to GATT with complaints against Japan.
- Salvador observers believe elections were free and fair.
- Mugabe tries to allay fears of white community.

Foreign Office

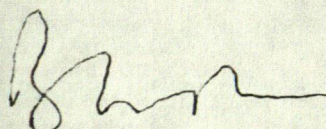
- How it hates MPs - Ronald Butt.

Politics

- Marplan poll suggests Conservatives 34 per cent, Labour 22 per cent, Alliance 30 per cent.
- Dismissal of SDP member in Islington will remove overall majority on Council.
- Labour Party propose a Department of Planning for future Government.

Grantham

- £10m redevelopment scheme for centre.



B. INGHAM

8 April, 1982