

LOBBY BRIEFING

time: 4 PM date: 15.4.82

Morning Lobby was repeated.

Prime Minister visited MoD for some 2 hours this morning for a briefing and meeting with Ministers - FCO, MoD, Home Office. She had a presentation from Defence Chiefs of Staff. She was not now going to Chequers this evening.

CANADA

We told the Lobby that the Lord Chancellor would represent the Prime Minister in the celebrations of Canadian patriation. This was not a last-minute change; it was always intended that the LC would represent the Prime Minister.

LEVEL OF STERLING

Asked about the pound dropping on reports that the Argentinian fleet was putting to sea we said we had no knowledge of Argentinian fleet movements. Asked if we had an exchange target we said that the Bank intervened for smoothing purposes; there was no formal target.

MINISTERS

We said there was no formal meeting on at the moment but it was to be expected that there would be frequent ad hoc meetings at this time.

US ATTITUDES

We refused to be drawn on whether the US should be more than "an honest broker"; we said we were not grumbling. Mr Haig was trying to achieve a diplomatic solution; there was no point in undermining his position as negotiator. We did not know his intended movements after Buenos Aires; his "new ideas" were those with which he had left London. We could not encourage speculation that the next round of talks would be in Washington.

OTHER

We had no information on the solidarity of the Argentinian junta. We had no information on calling up UK reservists. Other merchant ships could be requisitioned/chartered as necessary. The UK's basic demand was still for the Argentinians to withdraw as a prelude to negotiations.

Asked if MoD's statement about Argentinian fleet movements was a warning, we said there could be no clearer warning than the Prime Minister's speech yesterday.

We agreed there was little flexibility in implementing the Security Council resolution. On ship chartering we said that the companies would be compensated for their use.

On the task force's ETA we refused to give details other than "about two weeks' steaming time". The fact that The Queen's Birthday was next Wednesday was irrelevant as was today's anniversary of the sinking of the Titanic.

LD