

Falkland Islands

The main theme today is of hopes rising for a settlement because of negotiations going on in Buenos Aires.

Times and Mail say Haig has told Galtieri that if it comes to a military showdown USA will back Britain - Argentina cannot afford war - politically, militarily or economically.

Guardian suggests Haig will have told the Argentine that if the talks fail the USA will impose economic sanctions against them; Stradling Thomas intensifies the pressure on the USA to come off the fence.

Mirror features Argentine cheek in asking the USA for Satellite information; it asks Reagan whose side he is on.

Row over leak of Reagan/Haig tapes; we reject any idea that you want a skirmish to save face.

Galtieri talks to Reagan for 30 minutes - and the Sun says you talked to Reagan at midnight.

Economic: Top level financial group freezes \$200 million loan to Argentine electricity utility.

Military: MOD thinks the Argentine Navy has left port for morale boosting exercises but with no intention of entering the MEZ.

French Admiral says the Argentine Navy is fit only for scrap and its Army is no match for the British because it has lost its soul through murder, rape and torture.

FT Defence Correspondent suggests that weaponry being deployed may be excessively complex for the task in hand. It will be surprising if the outcome is not an insistence that military planners should in future use more, cheaper and simpler equipment.

Some of the 80 Marines who were on the Falklands go back with the task force.

Two RAF men deported from the Falklands give vital help on extending the blockade.

Junta says the waters around the Falklands are totally insecure because of mines.

Task force reported to be passing the Ascension Islands.

/Political:

Political: John Pilger, Mirror, says that while you have said we do not appease dictators we have sold the Argentines weapons and if British soldiers are killed British weapons will have been used against them; he cites cases of torture by the Argentine regime.

Argentine trade unions want to meet representatives of the TUC on neutral ground in Europe.

Pope will call off visit to UK if the shooting starts - it would be most inappropriate for him to visit a country at war.

In the Falklands, islanders refusing 20,000 Pesos to the £.

In the USA, emotional pro-British response to the crisis has left Reagan in danger of losing public support for the conduct of foreign affairs.

ABC poll say half the people in the USA want America to back the UK; only 5 per cent back the Argentine; 30 per cent want the USA to stay neutral.

Geoffrey Smith, Times, says Reagan certainly needs a foreign policy success; FT says Haig does too.

In the Argentine; BBC News Night on Monday will claim German scientists are helping Argentine to make an atomic bomb.

Comment: Express - there must be no wobbling or fudging; Britain is fully entitled to expect the USA to behave as our chief ally but the fear at least as strong as that the Americans will be found wanting is that we shall backslide.

Mail worries about the dangers of the White House leak; any leaks from the White House, State Department or Pentagon are harmful because they raise doubts about American security.

Guardian wonders exactly what is the attitude of the Falklanders in view of the conflicting reports coming out of the Islands and from those returning.

#### Other News

##### Union/Pay

NUPE follows COHSE in disrupting the NHS over pay; Anthony Lejeune, Mail, says the unions associated with the sick are just as ruthless and more hypocritical than the rest.

Mirror says the Top Salaries Review Board is recommending pay rises of between 15 and 30 per cent with an average of 20 per cent - Government deeply embarrassed.

Massey Ferguson workers decide to return to work when shop stewards dropped opposition to a mass meeting on the strike.

/Ambulance

Ambulance strike in prospect in Scotland after dismissal of the Glasgow Branch Secretary of NUPE for speaking to the Press without permission.

SOGAT refuses to print a large circulation free newspaper for the Clyde because it objects to the competition with the established Press.

Labour law: Express says Tory Backbenchers are to table an amendment to require contracting in for the political levy.

Economy: Estate agents predict that mortgage rate will fall to 12 per cent by the end of the year; house sales on the increase; building society receipts down £83 million in March.

Bank of England steps in to hold down interest rates.

### Industry

US Court orders Johnson and Johnson to pay £85 million damages to three inventors for keeping their pain-killing inventions off the market.

BL to mount a drive on the Japanese market with the Mini which is popular there.

British Airways aims to earn £40 million a week this summer to help overcome its crisis; British Caledonian among the favourites to buy BA's helicopter division.

Holiday makers who took package deals with Laker should start getting their money back next month.

Bleak outlook for de Lorean as Mr. Prior says none of de Lorean's suggestions have come to anything; de Lorean says he has £30 million available to buy back the company.

Robert Maxwell buys the Times health supplement which was to close.

Imports of Italian vegetables blocked after 18 Colorado beetles were found in parsley at Woking.

### Law and Order

Mrs. Shirley Williams says Police recruits should be given longer training and to learn more about the political, social and economic background of their country and locality.

### Education

Sir Keith tells the NAS that if schools cannot be orderly then education cannot be carried out; it is not fair to leave bad head teachers in place - they should be sacked when they run out of steam.

/Transport

Transport

The AA says the plan to introduce fixed penalties for motoring offences is complex, confusing and in some respects objectionable.

Pope

No TV coverage of his Cardiff visit because 7 technicians refuse to apply for security passes because of fears of what will happen to the information they give.

Sport

Sun blames the blimps of Wimbledon for not allowing Borg to play there this year without qualifying.

The Times thinks Wimbledon ought to be flexible but the Telegraph is firmly behind the application of rules.

National Trust gets £20 million bequest from the Bankes family including Kingston Lacy Mansion.

International

Middle East: two teenagers shot dead and 40 injured as riots continue in Gaza.

Zimbabwe: Mugabe brings whites into his Cabinet.

Poland: Police disperse 500 Solidarity demonstrators in Warsaw's main square.

Canada: As Patriation celebrations start, Levesque wants independence for Quebec.