## PRIME MINISTER

## DIARY

Falkland Islands.

EC: Agriculture Council, Luxembourg.

24-hour strike by dockers.

European Parliament, Strasbourg.

Publication of Northern Ireland Bill.

Queen's Awards winners announcement.

Pakistan Republic Day.

European TUC, The Hague.

Banking, Insurance and Finance Union Conference, Blackpool.

AUEW Conference, Eastbourne.

### Statistics:

Cyclical indicators for the UK economy (Mar). Indices of average earnings (Feb). Indices of basic rates of wages (March). Welsh Agricultural Statistics.

#### Publications:

PAC Report on Chevaline.

#### Pay:

NHS electricians/joint negotiating committee: Possible offer in response to claim for parity with private sector.

Professions supplementary to medicine: 'Cost of Living' claim; 6.4% rejected further discussions.

Local authority white collar grades: Further discussion on claim for increase "to protect living standards".

### Parliament:

#### Commons:

Questions: Education, Scotland.

Business:

A debate on a Motion to Take Note of the White Paper on the Government's Expenditure Plans 1982-3 to 1984-5, Cmnd No 8494.

Second Reading of the Industry Bill.

Select Committees:

SOCIAL SERVICES: Enquiry into Public Expenditure 1982 - Receiving oral evidence from officials on the Personal Social Services.

Ministers - see Annex

# PRESS DIGEST

# Falklands

- Most papers lead on Mr Pym's proposed visit to Washington with counter proposals. Political correspondents analyse changes in backbench opinion. Telegraph says there is increasing concern in Conservative ranks about prospects of war but on balance most MPs pleased. Guardian says that most backbenchers agree Falklanders cannot ultimately have the veto. Express says Pym would face Tory revolt if he made substantial concessions: there was a mood of "no surrender" at yesterday's backbench meeting.

Mail and Sun lead on the British ships which could be in a position to assault South Georgia tomorrow according to Pentagon officials.

Mail says that lack of urgency in Pym's trip suggests you may be waiting for Task Force to get closer.

# Military

- All papers give prominence to story of Marines in Grytviken: every man ready to die.

### . EEC

- Foreign Ministers reaffirm solidarity yesterday. <u>Telegraph</u> emphasises their doubt about use of force.

#### OAS

- Yesterday voted to consider invoking "collective defence provisions". US abstained.

## Argentina

- <u>Times</u> says that junta is looking increasingly weak with deep divisions over crisis.
- Telegraph reports frayed tempers at last session of Haig's talks.
  Argentine leaders said to be disappointed at British rejection.

#### United States

- Britain winning broad support of US people. Television stations present Britain's case favourably.

# Lloyds

- Yesterday denied being party to "sanction busting". Peter Rees expected to answer priority written Question today.

#### Economic

- Stocks and shares rose yesterday but sterling closed 5 points down.

# Sport

- Minister urges British to avoid sporting fixtures with Argentina.

# Retrospect

- Guardian says that Argentine journalists in London were astonished that Government was surprised by the "predictable" Falkland invasion.
- Mirror reports British ammunition firm sending consignment to Argentina "only days before the Falklands invasion".

# Personal

- Express feature says "guts is the secret of Maggie's iron hand".

# Leader Comment

- Telegraph: Government is in a negotiating position and this is right. Some aspects of Argentine proposals unacceptable but some could be incorporated in package. Some deep reconsideration of the strategic question now likely. Steel right to question paramountcy of Falklanders' wishes. They are uppermost but there are other matters of equal or greater importance.
- Guardian: tries to unravel what it calls the principle and reality of the situation. Concludes that you should embrace the "damage limitation" which seems to be offered by the present negotiations. This view is broadly repeated in the Peter Jenkins column.
- Times: Principles must come first. Original ingredients of crisis are virtually unchanged. There can be some room for negotiation. Britain's interest in Latin American may be damaged by refusal to compromise in substance but that has to be weighed against an even wider world interest to up-hold international law.
- Financial Times: If the American mediation fails we must return immediately to the Security Council. If the fleet needs to be slowed down to allow negotiation then so be it.
- Mail: Argentine aggressors must be got out of the Falklands by force if necessary. You were wise not to reject proposals completely. But Mr Pym must make clear that we will not buy peace at the price of selling the Falklanders down the River Plate.
- Express: Britain's position has not shifted from your original statement to Parliament. If we settle for less than this it will amount to a defeat more tragic than war.
- Sun: The talking cannot go on much longer. If as we hope diplomatic moves bring a fair settlement it will be because we are prepared if necessary to defend our interests with force.
- Mirror: You cannot go back on the first essential that Argentina must remove all its troops before we operate any concessions.

# Pay and Disputes

- Guardian says Civil Service Tribunal will award at least 6%.
- CEGB warns employees against excessive wage settlements endangering industry's future.
- Talks with ambulancemen break down yesterday. About 60 Glasgow ambulancemen stage 2 hour strike over a dismissal.
- Halewood stopped by strike of key workers.
- AEUW reduces pay claim for Ford car workers.

- Strike at BSC Corby over suspension of 2 employees.
- Twenty-four hour token strike in ports today over plans for streamlined MDLB.

## Incomes Policy

- Stories of "major rift" between unions at STUC over incomes policy but <u>Times</u> says that a deal with Labour Party leaders is taking place.

## Economy

- Public sector borrowing likely to be well below forecast for last financial year.

## Unemployment

- Guardian says that official figures underestimate problem and prevent several million people from receiving EC and Government aid.
- More than 2,000 workers in offshore oil construction industry are facing redundancy due to fall in orders.
- 30,000 jobs could be lost in textile industry because of inadequate import controls according to British Textile Confederation.

### BL

- Fiat complain of unfair competition by BL in assembling Hondadesigned car.
- BL is cutting production of Metro which will involve reduction of 500 jobs.
- Senior shop stewards stop public criticism of company.

#### Docks

- Government go ahead with sale of shares in BTDB despite losses last year. Chairman says they are on the road to recovery.

# Diving Training Centre

Government will pay more than £250,000 for breaking a contract. It will go to one of the companies formerly run by Conservative MP Sir Peter Emery.

### MPs Offices

 Commons looking for private finance to construct new buildings on Bridge Street site.

## Local Authorities

- Overtime payments of £250m a year were made by local authorities often without proper scrutiny - Chief Inspector of Audit.

#### Housing Subsidies

- Times leader attacks Labour proposal to freeze rents.

### Public Lending Rights Scheme.

- Scheme should be operating by the autumn.

### Law and Order

- More than 30 arrested in Nottinghill disturbance yesterday.
- MEPs to raise question of banning use of plastic bullets.
- Security officials in Northern Ireland complain of Penguin book containing instructions for home-made bombs.

- Tory backbenchers table 3 new clauses for Criminal Justice Bill concerning three separate offences for death penalty.

## Education

- Rhodes Boyson tells headmasters to allow parents veto on sex lessons.
- Numbers of children in private education dropped for the first time in recent years.

### Northern Ireland

- IRA staged co-ordinated car bombing attacks yesterday.
- De Lorean receiver to make statement at end of week.

#### Gibraltar

- About 20,000 people demonstrated in Madrid yesterday for the return of Gibraltar.

## Summit Meeting

- President Reagan has offered Mr Brezhnev full Summit meeting in autumn as well as earlier separate meeting on arms control.

#### EEC

- Guardian says Britain will signal its willingness to accept 11% farm price increase if there is break-through on Budget payments.

#### Politics

- Labour Party call special meeting on May 19 to discuss programme.

# People

- John Whitney of Capital Radio to be new Director General of IBA.
- Sir Derek Rayner likely to become next Chairman of Marks and Spencers.

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# Ministers:

Mr Tebbit attends European Management Forum Round Table. (5.00pm).

Sir Geoffrey Howe addresses the Royal College of Defence Studies.

Sir Keith Joseph addresses conference of National Institute of Adult Education, Warwick. (2.15pm).

Mr Jenkin speaks at Process Plant Association dinner.

Mr Walker and Mr Buchanan-Smith attend EC Agriculture Council, Luxembourg.

Mr Morrison visits Bradford, addresses Careers Services Association ecening on New Training Initiative and visits YOP programme and a supermarket.

Mr Buchanan-Smith addresses luncheon of New Zealand Apple and Pear Marketing Board, London.

Mr Gray addresses the Energy Business Centre, London.

Mr Baker opens ICL Computer Point, Reading.

Mr Waldegrave addresses St Mary's College Historical/Debating Society, Twickenham. (8.00pm).

Mr Finsberg visits Liverpool (Health and Social Services).

Mr MacGregor speaks at International Factors Ltd annual dinner - Guildhall

Mr Clarke visits St Francis Hospital, Haywards Heath, West Sussex.

Mr Raison speaks to Reigate Anglo Asian Conservatives.