

PRIME MINISTER

DIARY

- Mr Pym in Washington; Pym sees Reagan; further talks with Haig.
- El Salvador elections observers report.
- Mr Denis Healey sees UN Secretary-General.
- De Lorean car plant mothballed.
- Civil Service Pay Arbitration result.
- European TUC, The Hague.
- European Parliament, Strasbourg.
- Scottish TUC Annual Conference, Perth.
- AUEW Conference, Eastbourne.
- Third Anniversary of Southall Riots.
- Communications 82 Exhibition.
- St George's Day.

Statistics:

- Retail Price Index (Mar).
- Tax and price index (Mar).
- New vehicle registrations (Mar).
- Sales and orders in the engineering industries (Jan).

Publications:

British Business - Information Technology supplement on office automation, feature on coal conferences.

Pay:

NHS Ancillaries: Further discussions on rejected 4% offer.

Parliament

Commons:

Business:

Private Members' Bills

Bills:

- Garden Supplies Sunday Trading Bill.
- Sex Discrimination Amendment Bill.

Ministers - see Annex

PRESS DIGEST

FALKLANDS

Main Points:

- British view from Washington of Argentinian proposals: horrendous, out of court and intolerable; a long way apart but we won't get hung up over Argentinian flag.
- Pessimism in British camp but according to Express senior White House officials say we are close to a compromise and believe there will be no war.
- Pressure grows on Capitol Hill for Reagan to come down more firmly on our side.
- Mail speculates about a St George's Day landing on South Georgia; others canvass a decision by middle of the week; meanwhile Fleet on war footing from midnight tonight.
- In Falklands Galtieri admits possibility of defeat; finds morale problems among troops; but Times says senior officers with RN task force have asked whether Ministers fully understand dangers of assault without air superiority with unacceptably high casualties.
- Rise in support for Government and yourself according to MORI poll in Economist; public satisfaction with handling up 8 points to 68%.
- Nixon, Carter say USA should support Britain and Senator Percy says Argentine invasion demands show of force from British; we secure a diplomatic victory in the Euro Parliament.

Talks:

- Mail says Mr Pym is resisting strong American pressure to compromise - he takes your message: there can be no sell out; FT says gap remains wide.
- Reports that a joint UK-British Administration is part of our plan.

On Falklands:

- Express says morale of Argentinian troops low, living in tents in high winds and low temperatures; water rationed; dysentery.
- 2 leading representatives of Islanders tell Euro Parliament press conference that Islanders would prefer British invasion to continued Argentine occupation.

In Argentina:

- Member of Junta offers evacuation of Islanders before shooting starts.
- Contemporary version of Tokio Rose trying to sap morale of our troops.
- One of the most important finance houses collapses; signs of panic among customers of banks; sackings and lay-offs as economy goes from bad to worse; Govt bans currency withdrawals.
- Allegation that Argentine deliberately leaked invasion plans 12 days before as diplomatic ploy but we spoilt it all be ignoring them.

With Fleet:

- Commanders read out articles of war; battle stations from midnight tonight.
- Admiral causes some embarrassment to MoD back home.
- Leading ships only 800 miles from Falklands.

Defence:

- Government forced to shelve plans to publish Defence White Paper.
- Mirror centre page feature on Argentine and UK forces.

In UK:

- Mr Benn calls on all opposed to war to speak out now and gets a wiggling from the Sun for his appeasement which is said to embarrass Foot.
- 60 Tories said to be threatening to resign Whip if there are any concessions.
- Winston Churchill, in Sun, explains why we should bomb Argentinian airfields and dangers of becoming involved in a long drawn out blockade.
- Stanley Cohen MP wants Reagan's visit to be called off because of his lack of wholehearted support.
- MORI poll shows Govt's rating has risen - up 3 points to 36; Labour down to 30; Alliance steady at 31.
- Express says Cabinet endorsed two objectives: introduction of air exclusion zone and taking of South Georgia if nothing happens diplomatically before Wednesday.
- Some snide comments about Michael Palliser's appointment as special adviser when Lord Carrington felt obliged to resign.

Comment:

- Mirror: Days of peace grow fewer; Mr Pym's visit may be last chance; still a long way apart; although Argentinians must withdraw we must resist idea of inflicting total humiliation on Argentine.
- Mail: South Georgia is a sideshow; test is whether we go into Falklands; decision should be taken as soon as Task Force is ready and at latest by middle of next week - militarily time is not on our side; any delay between Galtieri's refusal to make significant concessions towards self determination without a shot being fired Britain and Govt will diminish by the day.
- Times: Reagan's actions have been better than his words and he is moving towards greater realism.
- Guardian: Any military deployment makes negotiation more cumbersome.

- OTHER NEWS

Unions/Pay

- Hopes that dock strike has been averted by employer concessions; FT says it is off.
- AUEW attacks those who work overtime for keeping people unemployed; ~~wants it ended and working week cut to 35 hours.~~
- D/Star praises union for rejecting 24-hour strike against unemployment because strikes don't help jobless.
- RCN decides to ballot members on 6.4% offer.

Economy

- Your optimism about single figure inflation this year.
- Express says economic recovery is now well under way and no longer possible for professional pessimists to say Govt policies not working - they are; Falklands won't jeopardise recovery unless it jeopardises Govt - successful outcome will reinforce Govt and invigorate economy.
- Most papers extremely indulgent about big error in PSBR estimates as compared with outturn.
- OECD expects 1.3% growth next year; inflation down to 7.9% with substantial payments surplus; Times thinks it too early to start cheering.
- Dry cargo rates up for first time in 12 months.
- Saudis cut oil production below official ceilings.
- Robert Sheldon says Govt taxation policies have hit average taxpayer and low paid but benefitted well off.

Industry

- 5000 redundancies called for in railway workshops.
- ICI Chairman warns of further job losses and closures.
- Shell shelves Tern oilfield development and abandons Eider field as no hope (presumably in present circumstances).
- Insurance, banking and tourism earned record £3bn last year - £500m up on 1979.

Labour Law

- Mr Tebbit toughens up Employment Bill on sackings of strikers.
- FDA row looming over its support for TUC campaign against Employment Bill.

Law and Order

- Sun feature on beneficial effect of short sharp shock treatment on two offenders who underwent it.
- Mr Whitelaw praises police for moving riot squads into Notting Hill this week.
- Notting Hill vicar says about a dozen people in street where the trouble started are engaged on crime and protection rackets.

Local Authorities

- Mr Howell urges them to control juggernauts more toughly.
- LT ticket sales down 10% on tubes and 20% on buses because of fare rises.

Education

- Scrapping of Schools Council brings teacher allegations of State control of curriculum.

Welfare

- Allegations that live sheep have been shot with high velocity bullets at Porton Down for research into wounds.

- Half occupational therapist jobs vacant according to their Assn.
- Chairman of Equal Opportunities Commission criticises Govt for no progress towards equal retirement age.

Sport

- Sun contrasts sensible behaviour of Aston Villa Supporters Club with others in Brussels and says tickets for overseas games should only be available through such clubs.

EC

- Record farm price settlement of 10.5% all but agreed.
- Heffer, Strasbourg, thinks it almost certain Labour will contest next Euro elections.

Ireland

- NCCL calls for ban on use of plastic bullets.
- William Ross severs connection with Tory Party over devolution plans.
- De Lorean comes up with offer and prospects seem brighter.

International

- Middle East - Israel troops weep as they move out Yamit settlers.
- Russia - FT canvasses KGB chief Andropov as man most likely to succeed Brezhnev.
- Paris - Govt orders out two Syrians after bomb blast outside Arab newspaper office.
- Poland - now \$3bn behind in interest and capital payments to West as economy spirals down.

Personal

- You are to see Chariots of Fire at the weekend.

B. INGHAM
23 April-1982

ANNEX

Mr Younger addresses Institute of Directors, Dundee and meets Convention of Scottish Local Authorities on Finance, Edinburgh.

Mr Tebbit visits Bournemouth and addresses National Association of Pension Fund.

Mr Newton attends British Limbless Ex-Servicemen's Association Thanksgiving Service, Westminster Abbey (11.30 am).

Mr MacGregor addresses Public Relations Consultants Association.

Lord Elton visits Haslar Detention Centre.

Mr Rees visits HM Customs, Dover.

Mr Gray opens a warehouse for JTL Parkinson, Inverness.

Dr Boyson visits Schools in Rossendale area, Manchester.

Mr Waldegrave visits Brunel Technical College, Bristol. (11.00 am).

23/4

PRIME MINISTER

THIS WEEKEND - HIGHLIGHTS

- Falklands - return of Mr Pym; Haig's moves; build-up of military tension (Sterling University Conference on background to current crisis)
- Sinai - Sunday deadline for Israeli return of occupied Sinai.
- Economy - Against background of good inflation figures and other good news this week. (NB. We have urged the Chancellor to exploit today's RPI figures on radio and TV).
- Pay - Possibly as a result of any Civil Service arbitration result today.

Ministers

Mr Pym will be the focus of attention assuming his talks conclude this evening.

We are keeping LWT Weekend World and World This Weekend open at this stage, though there will be demands for Mr Nott as well as Mr Pym.

We have turned down requests for you to appear, partly because you will be on Panorama on Monday.

Jh

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