

PRIME MINISTER

22/4
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DIARY

Falkland Islands.

US Senate Resolution.

Application for bail for British journalists.

EC: Foreign Affairs Council, Luxembourg.

EC: Standing Committee on Employment, Brussels.

EC: Economic and Social Committee Plenary Session, Brussels.

Council of Europe Parliamentary Assembly, Strasbourg.

Lobby of Parliament by the UN Association for World Development Movement.

Mr Fowler meets TUC Health Service Committee, Alexander Fleming House.

Statistics:

Unemployment (Apr-prov).

Unfilled vacancies (Apr-prov).

Bricks and cement production (1st qtr).

Publications:

PAC Report - Sale of BAe Shares and Sale of Government Shareholdings in other publicly owned Companies.

Government's reply to the Select Committee's Report on the Commission for Racial Equality. (3.30pm).

Publication of Registrar General's preliminary census result on Gaelic.

Pay:

London Transport busmen: Response to claim.

Further Education Teachers, England and Wales: Further talks on rejected 2.5% offer.

Parliament

Commons:

Questions:

Prime Minister, Defence.

Business:

Further progress in committee on the Finance Bill.

Select Committees:

ENVIRONMENT: Enquiry into methods of financial Local Government in the context of the Government's Green Paper (Cmnd 8449). (Witnesses: the Chartered Institute of Public Finance and Accountancy).

FOREIGN AFFAIRS: OVERSEAS DEVELOPMENT SUB-COMMITTEE. Overseas Development Administration Supply Estimates 1982-83, Class II, Votes 9, 10 and 11. (Witnesses: Department of Trade).

JOINT COMMITTEE ON STATUTORY INSTRUMENTS.

Lords: Social Security & Housing Benefits Bill: Committee
(1st Day).

Ministers: see Annex

PRESS DIGEST

FALKLANDS

- The main message today is that time is running out; that the conflict could soon escalate on to the Falklands itself - if it has not already done so in the sense that an advance party is reported there; that the USA (Reagan and Haig both) recognise that things are coming to a crunch; but that we would prefer a negotiated settlement.
- Your broadcast wins praise.
- A lot of coverage, especially in the populars, of the retaking of South Georgia for which the way was prepared by 14 men of the Special Boat Service flown from Ascension to a rendezvous with a submarine in the South Atlantic; a gentlemanly operation with our men entertaining the Argentinian commanders to drinks and dinner on board.
- Meanwhile, the build up of military pressure continues; it cannot be left to bob around in wild and stormy waters indefinitely.

Your broadcast:

- Sun: Confident and forceful mood.
- Express and Telegraph feature your assertion that if the peace effort fails the USA will come down on our side.
- Guardian says your remarks were less fierce than outside No 10 on Sunday evening and in the House earlier yesterday.

Diplomatic:

- FCO believes that the next round will end in deadlock at which point the USA will weigh in on our side.
- Mr Haig comes out strongly in support at OAS where Costa Mendez says we appear to have chosen language of arms in total disregard for negotiations going on.
- Argentine apparently soft peddling in the OAS.
- D/Star alone in thinking that Argentine may be prepared to talk their way out.

Military:

- More reinforcements leave UK for South Atlantic.
- Times says we have a small advance party reconnoitering a landing place; varied reports that we have troops already on either West or East Falklands but with orders not to attack Port Stanley.
- D/Star says task force has acquired use of base in Chile Punta Arenas - Phantoms flew there last week.
- Morale soars in Fleet as news of retaking of South Georgia comes through.

On South Georgia:

- Plans to build a prefab runway there to take Hercules.
- 2 girl photographers located by Royal Marines.

In Falklands:

- Dad's Army ready to take up arms in the event of a British landing.

In Argentina:

- Junta believed to be reviewing tactics to repel British counterattack.
- British living there decide to stay put; police ordered to conduct census of them and making house to house inquiries; British children given police escort.
- Telegraph feature says Galtieri is floating on a sea of international legal trouble - much coverage in the papers today of legal aspects.
- Guardian says Argentine people surprised by recapture of South Georgia and bewildered; but lot of anti-British feeling manifest.

World reaction:

- Mirror concludes world is on our side.
- Commonwealth solid with Muldoon forthright in praise of British feat of arms; Fraser says Argentine has only herself to blame.
- France, Holland and Japan join in plea to cool it.
- Apprehension in EC where only a quick settlement will ensure continued support.
- Argentine describes recapture as return to colonialism.
- Irish infected with growing dismay.

In UK:

- Mori poll shows 78% want you to go on and take Falklands and 80% back use of force.
- 58% - up 14% - say regaining sovereignty would justify loss of life.
- Benn accuses you of going to war unilaterally and says we will be in dock at the UN - Mail gives him a roasting in a leader and says he is inconsistent with the Labour Party manifesto in 1980 which dealt with Falklands.
- Sapper, ACTT, denies he is being unpatriotic in blacking official film because of COI redundancy dispute; Mail leader says this dispute had already gone to arbitration and union should think again if only in interests of its standing with the public.

In USA:

- Hundreds of Americans volunteer at UK Embassy to join British forces.

Arms:

- FT says Bonn is Argentine's major arms supplier.

Comment:

Sun: You have delivered two messages: time is running out because of worsening weather and we have a better chance of negotiated settlement if we pile on military pressure.

We have shown infinite patience and Argentine cannot be allowed to get away with being international mugger.

Express: Recapture of South Georgia a very tidy victory - so far so good; now is time for Argentine to reflect; Britain will be foolish to hold back militarily to allow negotiations to proceed but we must not decline to negotiate.

Mirror: Keep on talking: if your words mean anything assault on Falklands will soon begin; you are as confident - as Benn is not - that you have public opinion with you but future of Falklands will be decided in talks.

Telegraph: It is very important to spell out in clear terms why it is necessary to resort to arms.

Guardian: lists Galtieri's problems endlessly but warns that when in a corner instinct of military man is to fight.

Times: Sovereignty negotiable only in context of reference to ICJ but Argentine guilty of double intransigence.

FT: differs from you in two respects - definition of war aims; and reluctance to consider other channels of negotiation if Haig fails; canvasses ICJ; Trusteeship articles of UN; Opposition support may not hold out much longer and won't deserve to unless Government strengthens diplomatic position.

B. INGHAM
27 April 1982

Pay and Disputes

- Blood collection at a Tooting centre halted because of COSHE action: 500 hospitals disrupted altogether. Times leader criticises action.
- AEUW to press for "substantial pay rise" for 2 million engineering workers, rejecting left-wing motion for £15 flat increase.
- Last year's Civil Service strike cost £500m in lost interest on taxes.
- Government Departments discussing plans to discourage Civil Service action, including restricting promotion prospects for senior Civil Servants.
- USDAW to campaign for £90 a week minimum pay for shop workers.
- BR's electric service from London to Bedford postponed indefinitely because of dispute over one man operation. 48 new trains lie idle.
- Telecommunication engineers in City of London call on Union for strike against plans to privatise part of British Telecom.
- Three sacked British Rail workers are expected to reject the Government's offer of £145,000 compensation before the Strasbourg Court.

Industry

- Ford's UK made £22m pre-tax profit last year and loaned £650m to parent company. Imports were greater than exports for the first time.
- Australian-built Japanese cars will be imported into Britain circumventing the voluntary limits on Japanese imports.
- Rolls Royce to get £5m more from Government.
- Port employers "flooded" with volunteers for redundancies under enhanced scheme.
- British Steel plan to sell "Dorman Long" attacked in Parliament. Unions claim 100% success for one day protest strike.
- British Airways likely to seek further voluntary redundancies.
- Peter Borough refers to letter of support from Department of Energy Permanent Secretary to the Chairman of CEGB.
- Underground deaths in mines last year were the lowest on record.
- CBI names 31 members of so-called President's Committee.

Employment Bill

- Geoffrey Goodman in Mirror implies that tougher amendments were introduced during distraction of Falkland crisis.

Taxation

- The Government plans thorough review of bank taxation.
- North-Sea oil companies call for change in taxation and warn that some exploration may be delayed.
- Inland Revenue to investigate GPs incomes more carefully.

Law and Order

- Scotland Yard Anti-Corruption Squad had had two internal inquiries taken away from it.

- Defence lawyer objects to selection of jury in case against 12 Asians accused of conspiracy to make explosives.
- Detention Centres are too soft according to Prison Officers.
- Metropolitan Police will soon reach establishment figure (26,615) for first time since the 1920s.
- Guardian leader attacks "dishonesty" of Metropolitan Police response to the case of the couple awarded £52,000 damages for police assault.
- Feature by Nicholas Fairbairn in Times argues in favour of hanging.

Northern Ireland

- Paisley's DUP declares itself "essentially hostile" to devolution plans while welcoming some provisions.
- American company buys 1174 de Lorean cars.

Pope

- Scottish Orangemen threaten violence if police prevent march during Pope's visit.

Immigration

- 8,040 Asian wives allowed in to join husbands last year.

Unemployment Benefit

- Nine Tory backbenchers voted against the Government in Finance Bill Amendment to restore 5% abatement.

Education

- Lower ability children in secondary schools are worst affected by spending cuts in Wales - HMI Report.

Israel

- Mr Begin yesterday stressed his Government's implacable opposition to creation of a Palestinian State on the West Bank or Gaza Strip. Mubarak says his aim is to strengthen ties with Israel.

EEC

- Foreign Council open with some confusion over French position on Mandate. - Commission has corrected figures of contributions following British protest: they now show a British "deficit" of £25m last year.

Politics

- Tim Smith selected as Conservative candidate for Beaconsfield on Chairman's casting vote.
- Mr Heath in interview with Sun says he never attacked you personally.
- NUS want police to prosecute those responsible for forging signatures on forms of Conservative candidates.

Government Conference Centre

- Cabinet has rejected plan for private finance.

Fountains Abbey

- Offered to National Trust.

Ministers:

- Mr Pym attends EC Foreign Affairs Council, Luxembourg.
- Mr Lawson speaks to the Energy Industries Club, Connaught Rooms, London.
- Mr Fowler attends International Hospital Medical Exhibition lunch, Carlton Club, London.
- Mr Walker visits Lord Rayleigh's Farms, Hatfield Peveral.
- Sir Geoffrey Howe addresses Birmingham Chamber of Commerce.
- Dr Vaughan speaks at County Consumer Services Officers seminar.
- Mr MacGregor opens Chatham Enterprise Agency.
- Mr Baker at Institute of Industrial Managers awards, HMS Belfast.
- Mr Lamont at Rolls Royce Exhibition, Design Centre, London.
- Mr Fletcher speaks at Sandwich Training Association Conference, Edinburgh.
- Mr Waldegrave visits Bradford University.
- Mr Rossi addresses the Worshipful Company of Glovers of London lunch, Bakers Hall, Harp Lane, London. (12.30pm).
- Mrs Chalker launches "Door to Door: A Guide to Transport for Disabled people.
- Mr Buchanan-Smith visits Billingsgate Fish Market.
- Mr King visits Tyneside and Hartlepool Enterprise Zones.
- Sir George Young visits Milton Keynes New Town.
- Mr Macfarlane accepts office type caravan on behalf of the National Federation of Sea Anglers, Fishmongers Hall and visits Regents Park Sculpture Exhibition.
- Lord Bellwin visits Hackney, Islington and Tower Hamlets Trade and Industry Exhibition.
- Lord Elton meets head of the Carabinieri.
- Mr Rees attends EC Foreign Affairs Council, Luxembourg.