

29/4

PRIME MINISTER

DIARY

Falkland Islands; Argentinian reaction; Commons Debate.
 Council of Europe, 70th Session of Committee of Ministers, Strasbourg.
 EC: Economic and Social Committee Plenary Session, Brussels.
 Announcement of review into BR finances.
 FT conference on industrial relations, London Hilton.

Statistics:

Energy Trends.

Publications:

Report of the Prison Department 1981 (3.30pm).
 Three reports by the Education for Industrial Society Project, Scotland.
 Employment Gazette (April).

Parliament

Commons:

Questions: Prime Minister, Northern Ireland.

Business: Consideration in Committee on the Finance Bill.

Select Committees: COMMITTEE ON A PRIVATE BILL (Cumbria Bill) Lords.

Lords: Administration of Justice Bill (HL); Report.
 Debate on the 2nd Report of the ECC on Agriculture
 Trade Policy.
 UQ on grants for civilians on the Joint Services Course
 for Remedial Gymnasts at the Queen Elizabeth Military
 Hospital, Woolwich.

Ministers - see Annex

PRESS DIGEST

Falklands

- General conclusion is that we are heading for the last chance for peace with High Noon at midday tomorrow - only a miracle of diplomacy being likely to avert an invasion preceded by a blockade.
- But some newspapers think shooting inevitable this weekend.
- US officials' views contradictory but one reported as seeing new signs of conciliation in Argentine to which Mr Haig may be prepared to fly again.
- Argentine officials now regard US as being on our side - Mirror.
- White House official claims that they asked you last week to slow down Task Force - and you agreed.
- FT says up to 3 dozen Tory MPs would probably withdraw support if there were any concessions.
- Many newspapers report possible outlines of agreement envisaging some sort of Argentine flag flying perhaps at consular level.

Military:

- Mail says storm will clear from Falklands area tomorrow.
- Argentine abandons reconnaissance of our Fleet.
- US Admiral Zumwalt says he would not try to invade without air superiority and until he had knocked out Port Stanley airport.
- QE2 may be requisitioned as a fast troop carrier.
- Chilean owned RFA Tidepool on its way to Chile used by our Fleet courtesy new owners.

In Argentine:

- Hardliners in junta want to strike first at Task Force.
- Emergency plans being made to airlift Britons out of Argentine.
- Argentine Government increasingly irritated by Argentines' tendency to go to other radio for news.
- 100,000 strong British community in Argentine gives support to junta in open letter; Express describes them as fat cats.
- Footballer Ardiles says you have displayed bad political judgement and your views not shared by British people or Party - doubts whether he will come back here to play.

In Falklands:

- Mystery over death of Argentinian prisoner on South Georgia, but Express says he was shot trying to sabotage beached sub.
- Governor Hunt message to Islanders asking them to keep calm.

In USA:

- Telegraph feature says after a slow start America is backing Britain as never before since world war II and it is sad how quickly opinion has been ready to believe America is letting us down.

In OAS:

- Now recognises Argentine sovereignty over Islands but motion is toothless so far as Argentines is concerned.
- Only Trinidad speaks against but USA, Cambodia and Chile also abstain.

In UK:

- TUC back Foot's line and want UN General Secretary to be asked to accept a go between role.
- Owen says Foot lost his nerve and Foot gets a terrible hammering from George Gale in Express, Robin Oakley in Mail and Ronnie Butt in Times.
- Benn's proposal to halt task force rejected by Labour NEC which backs Foot's line.
- Healey counsels against immediate invasion with only half task force available.
- Labour MEPs ask EC FA Council to persuade USA to come off the fence.
- Express says Labour MPs are falling over themselves to join Foot in panic stricken retreat.
- Guardian says that Falklands could produce a local elections result which no one had anticipated a couple of months ago with your public opinion support increasing with each poll.

At UN:

- Mail says that corridors of the UN see Labour Party's call for UN intervention if Haig fails as pointless; UN is simply seen as a means of buying time and neutral diplomats would see any recourse to it as near disastrous to British interests.

Comment:

D/Star: Crisis now reaching critical stage; Britain has been tough but patient; UN does not appear to have any real influence over Argentina; if it comes to a battle we have no other choice.

Mirror: Last thing country needs in today's debate is a shouting match. Commons owes it to itself that those who are asked to risk their lives should not be called upon to do so again after this Falklands episode is over - ie, we must reach a settlement by negotiation.

Express: By noon tomorrow we shall be in a state of undeclared war; it is time we cleared the robbers out of our house; George Gale says Foot has abandoned any claim to speak for England - betrayed himself, his party and his country.

Mail: TEZ marks a preliminary phase during which Argentina can seize last chance of peaceful solution; Robin Oakley says Foot is a political coward and has proved his inability to lead this country.

Telegraph: says duty of Parliament is clear: a restatement of British aims and an end to armchair strategy and diplomacy; British task force ought to have warm and unqualified support of House.

Guardian: Finds Admiral Woodward's second interview extraordinary; but a powerful antidote to the emotional heedless euphoria that has enfolded the mission.

Times: Leader says you should retain freedom of manoeuvre; sees a difficulty in the nature of the Argentine junta.

FT: Govt. owes it to House to say exactly what its objections are and it urges US, UN and ICJ before hostilities.

OTHER NEWSPay and disputes

- TUC Health Service Committee calling action which may lead to break down of health service by end of next week. GMWU now back the other unions.
- RCN says talks on a new system of negotiation for nurses' pay are being blocked by other unions
- building workers leaders yesterday rejected 5.3% offer
- McCarthy expects to announce "face-saving" formula including recommendation that talks on flexible rostering should start at local level
- Scargill says he expects to demand minimum £110 per week for miners plus earlier retirement and four-day week
- 315,000 days lost in disputes in March compared to double that number last year and 3,262,000 in 1981
- 10 June has been declared "union day" by the TUC to promote unions' case against Employment Bill
- sacked BR workers to take case back to Strasbourg in appeal against Government's offer of costs

Youth training

- TUC yesterday backed MSC scheme including £28 a week allowance during one year foundation training

Economy

- Vic Keagan writes that everyone is now predicting 1½% growth this year
- ITEM forecast suggests annual growth of between 1 and 2% up to 1984, RPI rate rising again in 1983/84 and unemployment / reaching

reaching nearly 3½ million

- Sam Brittan shows three variants on the Treasury model which predict widely different results up to 1986
- Sir Lawrence Airey suggests that black economy amounts to 6-8% of GDP costing at least £4 billion a year in lost taxes

Nationalised industries

- British Airways to split into three divisions. Chairman says he is under no pressure to sell off assets
- Guardian Leader says British Airways is neither efficient nor productive. But yesterday's decisions are more concerned with creating a better airline to sell than about creating a better airline
- Times Leader says it is the answer for British Airways. The better course would be to sell off parts which are to the main objectives and to promote efficiency by allowing open competition from private airlines
- Daily Mail Leader says only way to make state corporations efficient is to sell them back to the public
- British Rail made reduced loss of £37 million in 1981 mainly due to additional grant. Sir Peter Parker said that he is ready to face more strikes in attempting to modernise the service
- Mr. Howell expected to authorise a full review of British Rail
- Privatisation of Rolls Royce would only be possible if the Government continued to give it substantial financial aid according to the Chairman
- unions at Dorman Long may seek high court injunction today to stop sale to Trafalgar House

/ Mr. Howell

- Mr. Howell and Mr. Heseltine back NEDC proposals to introduce private finance into road building

Leslie Chapman

- says in a new book that he was offered a post in Sir Derek Rayner's team, which had been discussed with you, and which never materialised

Police

- informer names policemen as his "partners in crime" at Old Bailey
- Chief Constable of West Midlands says potential expenses of riots last year were reduced in his region by policy of police involvement with community

Education

- Government considering maintenance grants for sixth form pupils

National Health Service

- Adam Smith Institute urges DHSS to contract out health services to private companies and save some £300 million a year
- American company plans £7 million private hospital in Edinburgh
- many nurses are working to point of exhaustion while 7,400 colleagues are on the dole says speaker at RCN Conference

Government Conference Centre

- MPs said to be perplexed at Treasury's attitude towards private finance

Commission for Racial Equality

- asks local authorities to take positive action in jobs and services to ethnic minorities

Lotteries

- controls are too weak says Gaming Board

BBC External Services

- Telegraph Leader says they have proved themselves in Falklands crisis and should not be cut back

EEC

- Britain made clear yesterday it was standing firm on a farm price veto

Northern Ireland

- opposition to devolution plans was made clear in the Commons debate yesterday
- Daily Telegraph Leader questions whether proposals attracting universal dislike can be of any use when they depend for their value entirely on the goodwill of Ulster politicians.
Even now the Cabinet should think again.

Middle East

- further outbreak of violence on West Bank and Gaza strip
- Israel will continue to oppose creation of Palestinian state says Begin

Politics

- MORI poll gives Conservative 40%, Labour 31%, Alliance 27%
- NUPE may switch its support to Left Wing candidates in Labour Party elections
- SDP retain control of Islington

Ministers:

Mr Heseltine speaks at Young Contractors Dinner.

Mr Pym attends Council of Europe, Strasbourg.

Mr Shaw opens National Association of Waste Disposal Contractors Seminar.

Sir George Young pays PSA visit to Chatham.

Mr Stanley holds press conference to launch PEP (Priority Estates Project) Booklet.

Mr Newton addresses the Chelmsford Citizens' Advice Bureau, Civic Centre, Chelmsford. (7.30pm).

Mr MacKay hosts reception for International Union for Health Education, Edinburgh.

Mr Fletcher meets Borders Regional Council, Edinburgh.

Mr Waddington speaks on Employment Bill to Chartered Building Societies' Institute Seminar. (2.30pm).

Mr Morrison speaks on New Training Initiative to Dunford Graduate College, (10.15am), and speaks on NTI to CBI dinner, Harrogate. (7.00pm).

Mr MacGregor speaks at Survival Leicestershire conference.

Lord Ferrers attends Farmers Weekly Land Drainage Event, Lincs.

Mr Sproat in Brussels to discuss Transport issues.