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BUSINESS

The Lord President said there was a possibility that the House would be recalled next week but it was less than a 50/50 chance. His reasons for saying that was that most of the debates on the Falklands had been mainly about diplomatic activity rather than military, but the latter was likely to be to the fore in the next few days. Thursday would be most likely day, if it was necessary to reconvene. He said there were no statements planned for tomorrow (Friday).

Asked about the prospects of the Northern Ireland Bill the Lord President said that the House had not really started dealing with it, and MPs will not really see what progress they are making until after the recess. He said he was not worried about Conservative opposition so long as those MPs with reservations adopted a "Trappist" approach. He thought there was nothing unusual about having successive days of debate and pointed out that the Bill was a few days behind because of interruptions from the Falklands crisis. He thought there was every reason to expect the Bill to go through within the session since all major legislation had already been despatched from the Commons and any Lords amendments on other Bills are not likely to come back to the Lower Chamber until July.

FALKLANDS

The Lord President said he could not add anything to the Prime Minister's statement today as regards the troops on the Falklands moving forward nor to the references to third parties supplying arms and supplies to the Argentine. He knew of no authenticated examples of this happening but assured the Lobby that any suspicions of such activities were being vigorously followed up, and we had been in touch with political heads of countries that were alleged to be involved.

Talking about future investment in the Falklands the Lord President said that it could come from a number of sources, and could be a Partnership between public and private capital. Investment of this kind would be needed to reverse the long-term decline of the islands. But he said the important thing was to sort out the military situation first before thinking too hard about future investment and development.

The EC's renewal of sanctions had more diplomatic and symbolic implications than economic, he thought. Asked about future negotiations he said there was no commitment on timing but thought that once the islands had been won back the effects of natural inertia would work to the advantage of Britain.

Asked if the Defence White Paper would need to be withdrawn in the light of the Falklands events the Lord President repeated what Mr Nott had said in the House about it being ready for publication, and would have an addendum which would perform a linking job with the Falklands situation but would not answer the questions it has raised. He could not give any more information on when the White Paper would be published. Any debate which takes place will be against the background of the White Paper and its addendum. As for any changes in the defence policy in the light of the Falklands Mr Nott had made it clear that the basic policy was secure.

REAGAN'S VISIT

The Lord President said that US Presidents have always received a

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friendly reception by the British public and there was no reason to think President Reagan would be an exception. Anti-Americanism is not much sharper than in recent years. He agreed, however, that President Reagan was a degree more controversial than President Carter and might be slightly less popular with Parliamentarians than his predecessor.

LOBBY BRIEFING

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Morning Lobby was repeated. We also announced two briefings for the Press on the Versailles Summit and President Reagan's visit.

PRESS NOTICES

At 4 pm the nomination of the Foreign Secretary as the resident of Chevening House under the terms of the Chevening Estate Act 1959.

We gave the Lobby a Broad outline of the Prime Minister's engagements for Friday and added that after Friday there were no more engagements until the Versailles Summit.

On the question of possible arms sales to Argentina we said that reports, such as the Israeli jet in New York and the Ecuadorian air cargo were being followed up. It was very difficult to pin such rumours and accusations down.

We had no idea of whether any more announcements were likely from $\ensuremath{\mathtt{MOD}}$ today.

On briefings over the weekend we offered to do any if the Lobby thought it would be helpful but took the attitude of "let's wait and see".

We went into some details from the notes attached to the Chevening press notice to explain why the Foriegn Secretary was entitled to the house and how it was intended to be used. We rebutted a claim that he already had an official house outside London.