

12/5

PRIME MINISTER

DIARY

Falkland Islands: UN talks continue; QE2 sails with Guards, Gurkhas;
Reagan sees Brazilian President in Washington.
Announcements on TSRB and MPs' Salaries.

EC, USA, Canada and Japan meet on world trade.

EC/ACP Council, Gabon.

IMF Interim Committee, Helsinki.

European Parliament, Strasbourg.

Anniversary of death of Hughes - Northern Ireland hunger striker.

CPSA conference, Brighton.

SCPS conference, Southport.

TSSA conference, Bournemouth.

CLEAR Symposium on Lead in the Environment, London.

APEX executive discuss McCarthy Report.

Statistics:

Central Government transactions (including borrowing requirement) (April).

Publications:

Economic Progress Report.

14th Annual Report of the Countryside Commission for Scotland.

Report of House of Commons Transport Committee on Main Line Railway
electrification.

Pay:

NHS Administrative and clerical groups/joint negotiating committee:
further discussions.

Parliament:

Commons:

Questions: Transport, Environment.

Business: Completion of remaining stages of the Criminal Justice
Bill.

Select Committees: TREASURY AND CIVIL SERVICE COMMITTEE: The structure of personal income taxation and income support. (Witness: HM Treasury at 4.15pm).

EDUCATION, SCIENCE AND ARTS: Biotechnology Society; the Society of Chemical Industry; the Society of General Microbiology.

PUBLIC ACCOUNTS: National Insurance Fund, (Witness: Sir Geoffrey Otton, KCB, Second Permanent Secretary, DHSS).

EMPLOYMENT: Youth Unemployment and Training. (Witnesses: Manpower Services Commission Special Programmes Boards; GEC and Marks and Spencer).

JOINT COMMITTEE ON CONSOLIDATION, &c BILLS (to consider the Iron and Steel Bill [Lords]).

UNOPPOSED BILLS. 1. Southern Water Authority Bill.

Lords: Debate on the problem of world population growth.

Debate on difficulties encountered by those responsible for the upbringing and care of children at home.

Children's Homes Bill.

Ministers - see Annex

PRESS DIGEST

FALKLANDS

Comment:

D/Star: commends Kissinger for saying in lecture "Britain is reminding us all that certain basic principles such as honour, justice and patriotism remain valid and must be sustained by more than words".

Sun: One page leader on "Men of Blood" attacks Mirror for cowering in the trenches and Guardian as sort of Mirror for sophisticated adults, though always wrong on any issue that matters; and Simon Jenkins, concerned Sun may encourage people to expect total victory, typifies arrogant individuals who know better than anyone else. The fainthearts are the real architects of disaster.

Mirror: Government is trying to bludgeon BBC into becoming a mouthpiece for its Falklands policy; it should fight. If ever BBC doctors dispassionate approach it will lose precious reputation.

Express: ITN's handling has been consistently superior to BBC's but this we have come to expect. But what is causing concern is BBC's attitude towards and discussion of the crisis. Broad charge is that in leaning over backwards it has given great comfort to Argentine - a charge surely well-founded. It could do with a lesson in patriotism. It is after all the British Broadcasting Corporation.

Mail: Pays tribute to frigates probing enemy's will to repulse an invasion and says support for Task Force in Britain is not for the most part raucous but pervasive and deep; says Foot's remarks about it are a contemptible smear and distances itself from the Sun; smear-mongering is the last refuge of the rattled politician.

Telegraph: Newspapers should think long and hard in the hazardous business of news presentation before they judge the merits of their rivals but it is now clear feelings of many people outraged by BBC; much of very real anger at BBC derives from the feeling broadcasters behave as an elite convinced to the point of arrogance that they know better. Perhaps we should get back to newsreaders who read carefully edited copy rather than the present spontaneity.

Guardian: If we are to go into open war with Parliament's full assent we must know the bottom line of diplomacy - ie what we are going to war about; in the BBC row it says that not having declared war on Argentina yet, it seems potty to fill the vacuum by simply declaring war on the BBC. Our TV and radio channels are doing their best in appallingly (sometimes wilfully) difficult circumstances. This is not World War II: it is not even a technical war.

Times: Says that in the course of discussions Britain has shown herself more than willing to concede points of substance which, if accepted, would seem to have invalidated the whole exercise launched on April 3. If our men are to go into battle they must go fortified by clearly stated principles and objectives on which they were sent to sea.

FT: BBC's spirited response suggests it can look after itself; Government should proclaim the freedom of the media instead of attacking it; this is one of the values we are fighting for.

Main news points:

- Pope's visit may be called off next week if no end to hostilities.
- Major doubts over whether British teams will compete in world soccer cup.
- Some slight raising of hopes at the UN.
- The sinking of the supply ship underlines the tightness of the ring we now have around the Falklands.
- And the great BBC row over which newspapers are divided on fairly predictable lines, but even your supporters make the point that Government could help itself a lot if only it got pictures back from front.

Media which takes up most of space

- Your attack on the BBC and Foot's counter attack on Sun and Daily Mail; 300 viewers - an unusually large number - telephoned BBC to complain.
- BBC replies - Alan Protheroe says his reporters need no lessons in patriotism; Dick Francis says they are not in the game of patriotism - in the business of finding out the facts.
- Jack Warden, Express, says BBC news chiefs fuel the flames.
- Max Hastings, in Express, writing from Canberra says he holds no brief for BBC but Govt has no one to blame in this case over propaganda issue except Royal Navy's medieval approach to political war - throw every possible obstacle in way of reporting.
- Express's Geoffrey Levy says if anything can maintain the smile on the face of Galtieri it is the sight and sound of Britain arguing over whether and what we are doing in the South Atlantic is right.

- Mail's Anthony Lejeune says an understandable explosion of anger has been building up against the BBC and its coverage; Panorama was the last straw and it is even considering re-showing the programme; Britain is being undermined; but MoD is no help.
- Chris Dunkley, FT, says the sooner the Govt censors in the South Atlantic and at the MoD realise that it is them and not the broad spectrum of TV programmes whose methods come so close to the Argentine's the better.
- George Howard and Alasdair Milne to see Tory backbench media committee tonight.
- Paul Foot says no Government has snuggled up closer to Argentine than this one since it took office.
- We do get some pictures of Royal Marine rehearsals off Ascension.

In Falklands:

- BAS captain claims he had to quell a mutiny to prevent crew from sailing into battle against Argentinians.
- Families are barricading homes and laying in food stocks ready for invasion.

International:

- Reagan hopes to dissuade Brazil from giving Argentine military support when he sees Brazil President today.
- Fitzgerald accuses Haughey of playing crisis for domestic political advantage and lowering Ireland's international reputation.

In UK:

- BL inspector who hit workman gloating over Sheffield dead fined £300; workmates to have a whip round.

Military:

- Argentines threaten to sink British ships in South Atlantic; waging war of nerves against supply lines.
- 2 Russian Bear planes buzz Task Force.
- D/Star feature on Argentinian school for torture using political prisoners.
- Mail says you are facing a crucial count down; but Times claim you are prepared, though with increasing patience, to give it another week to discover whether Argentines will withdraw under an acceptable deal.

Diplomatic:

- Telegraph says what we want from junta is a positive statement that it has dropped the demand that we recognise Argentine sovereignty before details can be tackled.
- Peter Jenkins, Guardian, agrees with James Reston that the Argentines have won but don't seem to know it. It is a war that will neither save nor serve the world; not worth fighting; war made immoral by its futility.
- David Steel, in Times, says it would be absurd to let our case rest on claim of sovereignty when we had been considering leaseback; must rest it on meeting aggression.

Pay and Disputes

- Hospital staff intensified industrial action yesterday. Mr Fowler said they would not be paid for any time involved in industrial action.
- Society of Civil Servants leaders warn that leaked Megaw proposals would be unacceptable and foresee need for industrial action.
- CPSA vote against new technology agreement with Government thus threatening industrial action.
- Offer to building workers increased from 6.75% to 7.38%.
- Postmen accept 7% from April 1.
- Farm workers' union vote for claim of £120 a week minimum and 35 hour week.
- Hoover workers at Cambuslang factory postpone pay claim after hearing of threat of factory closure.

Economy

- Bank lending still rising inflated by private sector borrowing. But money supply probably up by only $\frac{1}{2}$ % last month and within Government target.
- Wholesale price indices seen as confirmation of inflation moving into single figures.

Nationalised Industries

- British Telecom have 5,000 "retained pensioners" over 60 who receive both full pay and pension.
- House of Lords vote against Government in favour of amendment to oil and gas enterprise Bill designed to ensure that disposal of gas show-rooms does not imperil gas supply or consumer safety.

Law and Order

- Death penalty rejected in series of votes on new clauses. You had made it known that you would vote in favour.
- Metropolitan police sergeant jailed for 21 months for bribing a detective constable. Judge calls him a disgrace to the Force.
- Judge rejects plea that trial of three Glasgow youth on rape charge should not proceed because of widespread publicity.

Population

- Nearly 6% of population born outside the UK and nearly half of this from the new Commonwealth and Pakistan according to 1981 Labour Force Survey.

Social Services

- Mr Fowler announces measures to encourage hospitals, doctors, social workers etc to improve care of elderly.

Education

- Sir Keith Joseph calls for talks with local education authority after HMI Report criticises the way Liverpool leaders handled schools in Toxteth. Telegraph leader says there is considerable public feeling

that nationally defined minimum standards must be upheld and that central block grants should be earmarked for that purpose.

- Government rejects Select Committee proposals for Education Secretary to control curricula where local authorities fail to provide nationally agreed minimum standards.

Housing

- About 280,000 council houses in England now classified as "difficult to let" and about 24,000 have been empty for more than a year.

Northern Ireland

- Government to press ahead with Committee Stage of Bill next week. Mr Prior acknowledges "hard struggle" to get it enacted by end of July but denies reports of Ministerial doubts about the Bill. FT leader says the proposals are very modest and the time is ripe to try them. However, Mr Prior needs the backing of a united government and visible evidence that the Prime Minister is solidly behind him. These pre-conditions are not being fulfilled. Guardian leader says that there is no certainty that the Bill will get through. If it does not what future has Mr Prior in Belfast?

Defence

- Change to Trident D5 may mean retaining Polaris until end of century and reducing fleet of Hunter Killer submarines according to Commons Defence Committee.

EEC

- Britain, now isolated 9 to 1 in farm price talks, refuses to accept Commission attempt to "nod the package through". Mr Walker described it as "an extraordinary device". Other delegations said to be infuriated. FT leader, generally critical of farm price haggling, says the answer must lie in finding a better balance between the farm policy and other policies.
- Modification of the Commission's 5th Directive on worker participation certain to be modified following decision in Assembly to leave it to national governments to legislate within a very general framework.

International

- Russia yesterday exchanged 8 Western intelligence agents and a South African soldier for a senior KGB agent held by South Africa.
- Haig speaks in favour of President Reagan's disarmament proposals and attacks Democratic critics. Tass says proposals are political move to contain peace movements in US and Europe.
- Group of 24 developing countries accuse industrial countries of following policies which make it even harder for them to cope with recession.
- Disagreement about world export credits and no consensus on major economic issues at OECD meeting.
- Speculation of Israel elections after High Court Decision to forbid Government grounding of national airline on Sabbath.

Politics

- Mrs Williams has decided to give Dr Owen a clear run in contesting SPD leadership against Mr Jenkins.

"C"

- Labour keep control of Lambeth with casting vote of Mayor.

Donation to Naval Charity

- Guardian diary says that you declined to donate portion of salvaged Russian gold to a Naval charity after suggesting it in the first place. Mr John Evans said to be astonished.

- Mr Whitelaw speaks at the National Association of Prison Visitors AGM (2.00 pm).
- Mr Tebbit speaks on the Employment Bill at Grenville Janner Industrial Relations Conference Centre, London (9.30 am).
- Mr Heseltine visits Royal Arts Commission.
- Mr Fowler addresses Engineering Employers Federation lunch, Broadway House, London (12.30 pm).
- Mr Walker addresses Advertising Associations Annual lunch, Inn on the Park, London.
- Sir Keith Joseph addresses Salvation Army Divisional Youth Secretaries Council, Sunbury (11.30 am).
- Mr Whitelaw addresses AGM of the National Association of Prison visitors, Friends Meeting House, London.
- Sir Geoffrey Howe attends IMF Interim Committee meeting, Helsinki.
- Mr Mellor makes an Energy Conservation visit to Ipswich and Colchester.
- Mr Shaw visits Cumbria.
- Sir George Young speaks at Civil Service College Seminar on Inner Cities.
- Mr Butcher addresses British Computer Society.
- Mr Finsberg opens Trinity Centre (Day Centre for the Elderly), Shaftsbury, Dorset.
- Dr Vaughan opens and speaks at new head office of Johnson and Johnson, Reading.
- Mr Sproat visits Royal Aeronautical Society Spring Convention.
- Mr Buchanan-Smith addresses National Federation of Fish Friers Banquet and Ball, Worthing.
- Mr Mackay accompanied by the Hon A G Malcolm, Minister of Health, New Zealand, opens 'Naidex' exhibition of aids for the disabled, Edinburgh.
- Lord Mansfield opens Scottish Travel Fair, Aviemore.
- Mr M Roberts opens Welsh Trade Fair, Cardiff (11.00 am).
- Mr Shelton addresses Adult Literacy and Basic Skills Unit Conference, London.
- Mr Channon visits Portsmouth.
- Mr Rees makes opening speech of welcome for New York Chamber of Commerce seminar - USA Embassy.
- Lord Elton visits Leeds Prison and addresses Magistrates and Probation officers, Leeds (7.15 pm).
- Lord Belstead visits Gabon for EC/ACP Council meeting (until 14 May).
- Dutch Foreign Minister visits London.