

20/5

PRIME MINISTER

DIARY

Falklands: Debate; Last moves at UN; Publication of documents; Military moves.
White Paper on Lord Diplock Report.

OPEC Meeting, Ecuador.

Dr Mugabe visits UK.

SOGAT Conference, Bournemouth.

Police Federation Conference, Scarborough.

Fire Brigades' Union Conference, Bridlington.

IPCS Conference, Bournemouth.

National Union of Seamen Conference, Tenby.

ASLEF Conferences, London.

Association of Universities Teachers' Conference, London.

Statistics:

Preliminary estimate of gross domestic product based on output data (1st qtr).
Capital expenditure by the manufacturing, distributive and service industries.
(1st qtr - prov).
Manufacturers' and distributors' stocks (1st qtr - Prov).
UK banks' assets and liabilities and the money stock (mid-April).
London dollar and sterling certificates of deposit (mid-April).
Census 1981 Country Report, Cleveland Part 1.

Publications:

3rd Report from the Home Affairs Committee on 'NHS Charges for Overseas Visitors'.
7th Annual Report of the Lay Observer 1981.

Parliament

Commons:

Questions: . Prime Minister, Home Office.

Select Committees: AGRICULTURE: Less favoured areas. (Witness: Lord Melchett)
COMMITTEE ON A PRIVATE BILL: British Transport Docks Bill.

Lords: Local Government Finance (No 2) Bill.
Debate on the second Report of the ECC on Agricultural Trade Policy.

Pay:

Local authority white-collar grades/joint executive committee meeting:
further discussions.

Professions supplementary to medicine: further discussion.

Gas staff and senior officers open negotiations.

Ministers - see Annex

PRESS DIGEST

FALKLANDS

Main News

- Unless sudden change of mood in Buenos Aires you will tell House diplomacy has failed.
- Perez de Cueller determined to fight to last minute.
- But war felt to be only hours away; further bombing and shelling in Falklands; Argentina expects invasion today, according to Mirror.

Treatment.

D/Star: It's up to you Galtieri.

Sun: War with Argies only hours away - God be with you.

Mirror: Grimmer by the hour - 'I'm afraid it doesn't look encouraging ... the gap is big' - Mrs T.

Express: Ready for the invasion - SAS troops prepare sabotage raids as hopes of peace finally fade.

Mail: MPs expect landing any minute - invasion troops in position.

Telegraph: Troops go on red alert; Falklands attack expected as peace hopes wither.

Guardian: Britain shrugs off blame as invasion nears; Argentina awaits in defiant mood; Mirages seen as main threat to landing.

Times: Gloom settles on MPs as peace hopes fade; Argentines expect 5-prong attack.

FT: Major military attack expected.

Comment

D/Star: Britain is rapidly finding out who her real friends are - the old Commonwealth we dumped. Can't rely on Dublin for anything but duplicity. Now clear Eumocrats dream of taking all decisions - one swift way to deal with them, refuse to pay our contributions or implement price rises.

Sun: If shooting war comes let there be no doubt where blame lies - with junta. You have done everything humanly possible to achieve peaceful settlement.

Mirror: Slide to war now seems inevitable. We hope for a swift victory. But what is Task Force fighting for? We can't keep a large military garrison on Falklands indefinitely or have our defence strategy decided by Falklands. We are losing world support because world does not think re-possession is worth a war.

Express: Country which has marvellously pulled itself together to resist Argentine aggression continues to apart in some of its old accustomed ways - eg. football violence, hospital strike and BL Land Rover strike over one man's refusal to pick up tissue paper.

Mail: Time for talking is past; diplomats have been given last chance. They have failed after 7 weeks. Now troops must do their duty. No other way. There are horrendous risks but we have the men and the will to win. And if Falklands are worth dying for they're worth keeping.

Telegraph: If we had been determined on military clash it would have happened before now, even taking into account distance. Contrary to the impression you may give on media you are a cautious and prudent person: That you should seek to give voice to nation's thoughts when our forces are going into action is the least the nation would expect of you; Tim Congdon says there is no "Government" in BA worthy of the name, so a negotiated settlement would be almost a logical impossibility.

Times: At the head of the matter it was an evil thing, an injustice, an aggression. Even loyal Argentines and apologists accept that force should not have been used. Parliament has opportunity again today to reflect the unity which nation has shown on this single and paramount point of recognising an injustice. We are at the moment of choice and there can be no choice without freedom; Mr Muldoon in article says in 1939 we learned the folly of appeasement - military rulers must not be appeased; New Zealand will back Britain all the way.

Military:

- Combat/assault troops in main assault ships; ominous silence in Whitehall about what is happening in South Atlantic.
- Intense cold front over Islands.
- Staff from Royal Marines Command Force at Northwood believed to be flying to Ascension (Times).
- We have no immediate plans to dislodge 20 Argentine scientists from South Thule.
- Argentines claim to have 7 British prisoners following Falkland raids.

Diplomatic:

- USA joins Britain in accusing Argentines of stalling and trying to pull confidence trick.
- US professor, according to Times, says Britain is in breach of UN Charter by taking military action; assumption that it is justifiable under Article 51 false.
- Relations between London and Dublin under extreme strain.

Media:

- Plenty of coverage of new broadcasting station on Ascension aimed at Argentine soldiers in Falklands - we recruit a sexy voiced senorita.
- Some BBC officials disagree with decision to lend their transmitter because it will weaken strength of World Service broadcasts.
- NUJ and ABS call initiative gross interference with BBC; cost of station £10-20,000 a week.

Sport

- Mr Macfarlane says decision on whether 3 British teams will compete in World Cup rests with Football Associations; Government not putting pressure on them but reviewing matter from day to day.

Pope:

- Calls cardinals from Britain and Argentine to join him in mass tomorrow; Hume will try to persuade him that he should come to UK; Argentine cardinals will try to persuade him to stay away.

In UK:

- Propaganda leaflets distributed in North London to children by Lefties saying you have blood on your hands over Falklands.

In Argentine:

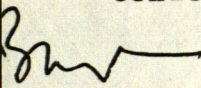
- Hate campaign against you grows - posters portray you as pirate or as Hitler.

In Falklands:

- Telegraph says the Islanders are proving a hardy and self-sufficient lot - main problem water supplies.

Politics:

- Sun says Foot is at centre of a party split over imminent invasion; about 35 MPs ready to follow Benn; but moderates especially those who fought in last war angry with him over his talk, talk, talk - we are concerned with Falklands not Talklands.
- Willie Hamilton says you are mad keen to go to war; Scottish Tory Conference was like Hitler rally.


B. INGHAM
20 May 1982

EEC

- Telegraph says you are personally aggrieved by EEC decision on farm price proposals. You are particularly upset about President Mitterrand who did not mention decision when he was your guest.
- Ministers are carefully considering what to answer: they are not at present planning reprisal.
- Mitterrand says he left you in no doubt about France's determination in the conduct of the Common Agricultural Policy. The question now is of the role Britain sees herself playing in the EEC.
- Mr Pym will argue next week that the Luxembourg compromise must be permanently established in Community procedure and legally binding.
- France says that crisis arose from errors and misjudgements by British officials. A gap of only £112m separated Britain and its partners over the Budget contribution.
- Italian and West German Governments are independently preparing proposals to limit use of veto in future.
- Times leader says the decision was gesture of exasperation about what our partners perceive as impossibly selfish behaviour by Britain. Mr Pym was apparently advised wrongly that France would not abandon the Luxembourg compromise and therefore held out for better terms on the Budget issue than those he had been authorised by the Cabinet in London to accept. Our problem is partly presentational. We should stop talking about getting our money back and talk instead about spending it more sensibly.
- D/Telegraph leader again argues that it is premature to see the demise of the Luxembourg compromise as an opportunity to develop an unfettered Community.
- Sun leader asks you to give a tough response.

Pay and Disputes

- Strike of National Health Service workers gets nationwide support. Hospitals seemed to have coped as nurses and administrators crossed picket lines. Guardian leader says both Government and TUC are wedded to free bargaining. Neither side will yet admit that a voluntary incomes policy, at least in the public sector, makes more sense than picket lines outside disrupted hospitals.
- NUR tomorrow will consider industrial action over closure of workshops and lack of progress on this year's pay claim.
- Firemen to start industrial action on 31 May over question of representation in pay negotiating machinery.
- Level of annual earnings still falling according to DE figures. CBI say pay settlements averaged 6.7% in April.

Unions

- Employment Bill gets its Third Reading by majority of 95. SOGAT to press at TUC Congress for Union withdrawal from NEDC and general review of attitude towards tripartism.
- National Union of Seamen will press employers for system of shop stewards on ships with wide-ranging responsibilities.
- New General Secretary of NUPE, Roderick Bickerstaffe, will push for establishment of national minimum wage.

- ASLEF left wingers try to end lifetime appointment of General Secretary.

Economy

- Wages and salaries per unit of output rose 2.7% in 3 months to March compared with 18.1% in same period last year.
- Sam Brittan reviews key economic issues for world leaders at Versailles.

Nationalised Industries

- FT leader argues in favour of ending of promoting direct competition on domestic air routes between Heathrow and Glasgow and Edinburgh.
- Central Transport Consultative Committee warns that British Rail faces further closures, reduced services and overcrowding despite Government assurances to the contrary.

Building Societies

- Guardian leader says Sir Geoffrey Howe right to criticise building society complacency.

Local Authorities

- Mr Heseltine told local authority representatives yesterday that he is considering whether to make further reduction in grant across the board. D/Mail singled out the GLC "which is massively overspending and is to be treated the same as careful Councils up and down the country".

Environment

- The Council for Environmental Conservation accused the Government yesterday of failing to protect five important nature reserves.

Security

- Diplock Report warns of new dangers from electronic information processing. Mail headline wrongly suggests that you are going to make oral statement today.
- Cabinet has ordered inquiry into leak about "Government undercover payments" to ensure use of British steel at High Wickham RAF headquarters.

DOE

- Reductions in staff saving £87.6m a year says Mr Heseltine.

Education

- Sir Keith Joseph backs HM Chief Inspector of Schools in refusing to disclose to House of Commons Select Committee names of local authorities which had cut education spending to a "worrying level".

Law and Order

- Lord Denning's book published today urges a new system of jury selection from only "sensible and responsible members of the community".

- Jardine says British police are the most untrained police force in the Western World.
- Bedridden multiple sclerosis suffered given conditional discharge for refusing to pay TV licence but still refuses to pay costs. Dennis Skinner to table the question today.

Anglo-Irish Talks

- Early meeting between Prime Ministers is not now contemplated.

International

- Begin Government wins confidence vote by majority of one.
- Iraq claims victory over Iran troops at Khorramshar.
- 14 Solidarity activists continue hunger strike in Warsaw prison.
- You are said to have promised to continue to supply Zimbabwe with military training personnel and to consider a request for speeding up payment of British funds in your talks yesterday with Mr Mugabe.
- Japanese are on average significantly more intelligent than in most western industrial countries - article in today's Nature Magazine.

Politics

- Labour NEC's outline economic strategy includes price but not wage controls.

Ministers:

Mr Younger meets STUC London.

Mr Howell speaks at the British Aggregate Construction Industry's lunch, Grosvenor House Hotel.

Lord Ferrers attends Devon County Agriculture Show.

Mrs Fenner opens ADAS/NAS Field Day, Ilkley, West Yorkshire.

Mr Mellor makes an Energy Conservation visit to Basingstoke.

Sir George Young speaks at National Union of Teachers Conference on Inner Cities and addresses British Woodworking Federation AGM.

Mr Macfarlane speaks at Variety Club's tribute lunch to their Golfing Society.

Mrs Chalker attends Motor Cycle Demonstration by Michelin, Staines.

Mr Sproat addresses Marine Society.

Mr Sproat speaks at South East England Tourist Board Annual Dinner.

Mr Shelton visits Agricultural Research Council, Letcombe Laboratory Oxfordshire.

Mr MacGregor attends launch of DOI/Shell study on Common Services and Technological Support for small firms.

Mr MacGregor speaks at Clothing EDC dinner.

Mr Lawson meets Dr Lantzka, President of the OECD.

Mr Marten meets Mr Chidzero, Minister for Finance and Economic Planning, Zimbabwe. (10.30am).

Mr Lamont hosts lunch for Zimbabwe Ministers.

TV

Mr Parkinson on BBC 2 TV 'Question Time'.