# PRIME MINISTER

## THIS WEEK - HIGHLIGHTS

### BUDGET/ECONOMY

### Statement and debate, plus:

Public Expenditure White Paper.

Supply Estimates.

Defence Estimates.

Civil List.

Busby Bond launch.

Oil depletion statement.

CGBR and money supply .... all tomorrow.

Social security uprating (Wed).

Interest rates - base and mortgage rates, the latter of which comes Friday with Building Society figures (for Feb).

### Broadcasting

Granada World in Action - Worried Men: 4 Conservative MPs (tonight).

Chancellor and Chief Secretary (tomorrow).

Ministers as required.

Chancellor on BBC TV Question Time (Thurs).

Chancellor on Jimmy Young Show (Fri).

#### Economic Indicators

HP, instalment credit and retail sales (Jan), construction output (4th Qtr) - (today).

Balance of payments (4th Qtr) - (Wed).

Usable steel production (Feb) - (Thurs for Fri).

#### PAY

Nurses: NHS electricians (tomorrow).

NHS white collar: shipbuilding: GAS (Wed).

Teachers withdraw school meals co-operation (Thurs).

NHS ancillaries (Fri).

#### ANNOUNCEMENTS

Public lending right scheme - (today).

Variation of election expenses (Wed).

Defence (Thurs).

Employment Transfer Scheme - earnings limit up (?).

#### INTERNATIONAL

Tindemans starts Mandate tour of EC.

Genscher in Washington (tomorrow).

New Irish Government; Dail meets (tomorrow).

Visit of Norwegian MP (Wed).

#### MINISTERS

Mr Pym on Panorama - extent of secrecy in Government (tonight). Mr Howell in Dover (Fri).

# POLITICAL

London Transport strike (Wed).

GLC fares Lobby of Parliament (Thurs).

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### Parliament (cont):

### Commons:

Select Committees:

HOME AFFAIRS: SUB-COMMITTEE ON RACE RELATIONS AND IMMIGRATION. Immigration from the Indian Sub-Continent. (Witnesses: United Kingdom Immigrants Advisory Service).

EDUCATION, SCIENCE AND ARTS: Public and Private Funding of the Arts. (Witnesses: CBI; GLC; TUC).

ENERGY: Combined Heat and Power. (Witnesses: CEGB, Electricity Council, Northern Engineering Industries).

Lords:

Travel Concessions (London) Bill: Second Reading.

Administration of Justice Bill (HL): Second Reading.

Deer (Amendment) (Scotland) Bill (HL): Committee.

Ministers:

See Annex

## PRESS DIGEST

#### Politics

- Labour in turmoil again after Pat Wall's civil war speech; Wall says he was misrepresented and was actually arguing against the Social Workers' Party anti-Parliamentary democracy.
- Labour Organisation Cttee meets today and it is pretty well the unanimous view that it should disown Wall.
- Meanwhile GLC Labour Party overwhelmingly approves of Tatchell.
- Healey, Shore and Hattersley weigh in against Wall but Foot bides his time hoping Wall will go or be sent away.
- Weighell, NUR, says sooner Militant Tendency is outlawed the better; out to destroy Labour Party.
- Wall's son attacked by gang at weekend broken cheekbone.

#### Comment:

D/Star: Militants insidious enemy; Foot will be drowned if Organisation Cttee endorses Wall.

Sun: If Labour Party does not kick out Wall it will be settling for a Trot Labour Party which will destroy democracy as we know it.

Mirror: Labour's Organisation Cttee can't pretend it doesn't know what Wall stands for now - does it think Bradford or anywhere else in Britain wants what he stands for.

Express: Labour Party sinking into political depravity; when it dithers instead of casting out Wall shows how far it has sunk.

Mail: Wall and others like him are political poison; Militant Tendency has to be proscribed.

Guardian: Nothing Wall has said outwith political trade of Militant Tendency but people who want Hattersley's kind of socialism may well feel inclined to take their trade elsewhere with Wall and his like around.

## Meanwhile .....

- David Steel emerges as best dressed MP.
- Telegraph says Jenkins' politicianship will be fully tested in Hillhead.

## Reagan

- White House says he is to address joint meeting of both House of Parliament and <u>Telegraph</u> reflects Ministerial dismay at diplomatic gaffe, including disclosure that he is to stay at Windsor.

### Economy

- OPEC planning to hold production rather than cut prices in hope that things might improve soon.
- Telegraph feature says bitter confrontation between Reagan Administration and Fed seems likely to continue and so do high interest rates.

### Budget

- Main story today is Labour anger based on lead of (excessive) Civil List increase of up to 12%; <u>Times</u> says it will be some points below level of inflation.
  - Labour MPs warn against putting Lady Diana on list.
  - <u>FT</u> says Budget is likely to provide £1-1.5bn for industry and will avoid major revolt by wets; strategy more favourable than at any time since election.
  - $\overline{\text{FT}}$  says Index likely to rise to all time high over next few months as  $\overline{\text{Ci}}$  ty signals approval of Budget in advance.
  - <u>Sun</u> says Chancellor is set to give Britain a boost and main aim is to help industry; leader asks Chancellor to give us hope.
  - George Gale, Express, says there won't be a U-turn because Govt is past the point of no return and in any case it's too late for one and all signs are of economic upturn.
- Guardian says Chancellor is emerging as a peacemaker with Budget to disarm wets; but Victon Keegan says devaluation is necessary condition for revival and far more radical measures are needed to bring unemployment down to acceptable levels, but Budget won't even address that problem.
- CBI confident of cut in NI surcharge.
- Sir Ian Gilmour replies in <u>Times</u> to savaging by Stephen Hastings and elsewhere accuses your office of leaks not him.
- Lord Carr, in letter to Times, wnats modest, sensible increase in business activity encouraged by Budget.
- Times feature on Chancellor and at the end malicious stuff about who might succeed him.

- Joe Ashton, <u>D/Star</u>, wants you to call a truce, admit last year's effort didn't work and do a U+turn.

### Industrial Problems

- Times: Clerical workers to vote tomorrow on redundancies package.
- <u>Laker</u>: Hopes of flying a smaller airline not offering cut price fares; <u>Orion</u> has again been talking to him about a charter operation.
- B/Airways: John King to seek crises meeting with Ministers after sacking of finance director (other directors expected to go) following receipt of Price Waterhouse report; losses soaring to £200m.
- De Lorean: Report that marketing operation in US in bad shape losing most of staff and president following failure to raise money; Receiver expected to be brought into a Northern Ireland supplier today.

### Other Industry

- Nalgo gas workers leader threatens strike if Govt persists in selling off assets.
- Labour MP calls / safety check of all gas fired warm air heating following family deaths in North East.
- <u>FT</u> says Labour Party and TUC seem set to agree re-nationalisation plan without profits for shareholders.
- ICI goes into coal in a big way probably increasing use four fold cut cut fuel bills.

#### Labour Law

- Communist Party trying to swing unions behind fundamental rejection of Tebbit's law.
- Equity ready to take Govt money for secret ballots and risk expulsion from TUC; Marius Goring says they are not a political union.

### Trade Unions/Pay

- Allegations that TGWU wants to ditch TUC idea of robbing leaders of unions with fewer than 100,000 members of seat on General Council because this will give built-in moderate majority - planning Left splinter group.
- Yorkshire Area NUM instructs members of executive, including Scargill, to boycott reitrement parties for Gormley.
- Head teachers threaten to join pay dispute this week.
- Civil Service unions split on how to approtion cost of 21-week strike and Central Council's continued existence at risk (FT).
- Frank Cahpple, in <u>Express</u>, says trade union movement is in control of fewer than 2% of members.
- Fight for control of AUEW now on with contest for general secretaryship.
- -Porters on strike at Barts (shortly to be joined by kitchen staff) say management encouraged them to stop work to break their spirit.
- Trouble with union who block ports over launching of Holyhead-Dublin-Liverpool service by B\$I; fears it will damage Sealink.
- Weighell objects to single manning on Bedford/St Pancras route as unworkable.
- Dockers call 24-hour strike in protest against BDLB reorganisation.

- IK Metall, West Germanyps largest union, settled for 4.2-4.5% and brings prospect of lower interst rates.
- Low Pay Unit says 4 out of 5 of 90,000 families entitled to FIS pay some or all of it back in tax.

### Medical

- 8 out of 10 people want lead free petrol; Govt seen to be losing argument.
- Thousands of lives could be saved if doctors took blood pressure every time they see patients.
- Guardian says report, published today, has had deleted from it recommendation to deal with problem of single homeless people.

## Housing

- Express says thousands of new homes are going up for sale at cut prices thanks to co-operation between private sector and local authorities who have made land available.

### Local Authorities

- Most water rates to rise by less than inflation.
- Local authorities set to overspend by £1.4bn in current year.

### Defence

- <u>Times</u> says Govt is shortly to take Trident decision; must try to enlarge political base for militarily sensible choice of D5; you would be well advised to issue full defence summary of Trident at earliest opportunity.

#### Media

- Lots of coverage of your broadcast concentrating on your fears and relief over Mark.
- <u>Mirror</u> feature by Joe Haines on Lobby system preview of tonight's Panorama he attacks it.
- Guardian says all evidence is that with satellites substantial minority in EC will watch BBC and ITV series which bare favourites.

#### Cricket

- Voi
  - Vorster, man who stopped MCC tour because D'Oliveira in team, thinks present tour triumph for common sense.
  - Yorkshire form their own version of ACAS to bring peace to the warring Boycott and Illingworth tribes and surprisingly say Boycott and Old will be playing for them this year.

## Law and Order

- Labour politicians unhappy over McNee speaking at Institute of Directors' conference on theme Real Pay -or Real Jobs.
- Walter Johnson MP wants Home Sec to get tough with soccer hooligans after arrest of 130 outside Chelsea ground.
- Report on Wednesday will show 20,000 violent crimes in London last year; Express how many more muggings before Home Sec wakes up to responsibility; Andrew Alexander in Mail writes piece "Why the public should not trust this man" apparently because public should not trust any chief whip whose sole objective it to sweep things under carpet.

- Police college senior officers to study inner city racial life at home and abroad.
- Report to be published today wants more emphasis in divorce proceedings reconciliation.
- Kambone says Home Office officials reneged on deal by sending hijackers' families home.
- More resignations and machinations in troubled Amnesty International after Thorpe resignation.

### Ireland

Haughey now clear favourite to form new Govt tomorrow.

## Pope

- Militant Protestants threaten to block his route in Liverpool.

### International

- Poland: Chruch fears it will be next for chopping after Solidarity.
- UK/USA: International Gallup says 60% of Britons lack confidence in US leadership, but sound bedrock against pacificism and unilateralism.
- Canada: Seal cull starts.
- USSA: Mail says there is no hard evidence Brezhnev is in any danger.
- Israel: Begin hands over most of official duties to deputy after collapsing with exhaustion.
- Iran: Telegraph says CIA is helping exiles and increasingly pumping in propaganda to counter Russians'.
- Cuba: Castro tells visiting UK MPs anything Britain can do to help search for peace in Central America would be highly welcome.
- El Salvador: Govt trrops massacre over 100 peasants in three indicents in January, according to Washington.
- India: Russia to supply 5m tonnes of oil and product this year.
- France: May supply Israel with nuclear reactor for power supply and land itself in cart with Arabs.

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