

7/4

PRIME MINISTER

DIARY

Falkland Islands.

NEDC.

CBI Employment Policy Committee.

Pilot Ethnic Survey of the Civil Service announcement.

Scottish Council on Disability Grant announcement.

Royal Society of Health Conference, Kensington Town Hall.

Rating and Valuation Association Scottish conference, Peebles.

Concrete Society Exhibition and conference, Brighton.

Engineers and Managers Association, Electrical Power Engineers Association Annual Delegate conference, York.

Publications:

Data Protection White Paper (2.30 pm).

Nature Conservancy Council Annual Report.

Pay;

London Transport/Railway Supervisors and Conciliation Grades (ASLEF, NUR, TSSA): Management to reply to uncosted claim for "substantial increase and shorter hours".

Passenger Transport Executives Staff: Further talks following rejection of offer.

Parliament

Commons:

Questions: Transport, Environment.

Business: Falkland Islands debate.

Select Committees: EDUCATION, SCIENCE AND ARTS: Public and Private Funding of the Arts. (Witnesses: Rt Hon Paul Channon MP, Minister for the Arts; the Hon Nicholas Ridley MP, Financial Secretary to the Treasury).

DEFENCE: Ministry of Defence Organisation and Procurement. (Witnesses: The Viscount Trenchard MC, Minister of State for Defence Procurement, Geoffrey Pattie MP, Under-Secretary of State for Defence Procurement).



TRANSPORT: Transport Aspects of the 1982 Public Expenditure White Paper. (Witnesses: Sir Peter Baldwin KCB, Permanent Secretary and officials of Department of Transport).

EMPLOYMENT: The Commission for Racial Equality's draft Code of Practice. (Witnesses: The Advisory Conciliation and Arbitration Service).

Lords:

Inter-Governmental Maritime Consultative Organisation (Immunities & Privileges)(Amendment) Order 1982: Motion for Approval.  
Legal Aid Bill(HL): Report.  
European Communities (Definition of Treaties)(International Railway Tariffs Agreements) Order 1982: Motion for Approval.  
British Railways Board etc Amndt Order 1982: Motion for Approval.  
Valuation(S) Order 1982: Motion for Approval.  
Deer (Amendemnt)(S) Bill(HL): Third Reading.  
U.Q. on Poland and the Helsinki Declaration etc.

Ministers - see Annex

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PRESS DIGEST

Falklands - Our Intelligence

- Most papers are still pursuing the suggestion that we have earlier intelligence of the Argentine plans than so far admitted. Reference is made to reliable Whitehall sources confirming yesterday that there was warning of invasion in London on March 26 or 27.
- There is also suggestions that Falkland resistance was stage-managed in collusion with Argentina. Questions have been tabled for the S/S Defence.
- Express leader continues attack on the FCO suggesting that there was a political decision to ignore earlier intelligence reports. This suspicion will be strengthened if it turns out that there was collusion over invasion plans.
- Times suggests that invasion may have been carried out against wishes of Galtieri. British Ministers may have over-estimated Galtieri's control of forces.

Government

- These criticisms lead FT to say that you look increasingly exposed politically. Crucial rôle will be played by Mr Pym. Mirror says Government could be steaming for disaster.
- Wide coverage of Commons exchange and your rejecting calls for resignation. Guardian describes you as having been "evasive" in reply to Mr Foot.
- Appointment of new Ministers greeted with no enthusiasm. D/Telegraph calls them "worthy but unspectacular". Guardian dubs it the "Who Who?" re-organisation. FT says backbenchers called it "uninspired".
- Mr Pym puts off Middle East trip planned for next week.



- Express cartoon suggests that you personally need to hold all of the key Cabinet posts.

#### Mediation

- Express says that peace deal is gaining favour in London. MPs beginning to recoil from use of force. Mr Pym is looking for success in diplomacy where his predecessor failed.
- US have offered to act as "honest broker". But Sir Nicholas Henderson told Mr Haig yesterday that the Argentinians must leave.
- D/Telegraph says that Britain is not actively looking for mediation at present and that invasion euphoria is fading in Argentina. Argentine military leaders are seeking support from the suppressed political parties.
- Argentine interior minister ready to negotiate but not on the basis of withdrawal.
- President Reagan is being briefed by a State Department special task force.

#### Support

- EEC Commission condemn the invasion. Request for support at COREPER said to have met with full support. Guardian says that partners are preparing to impose sweeping trade and financial sanctions against Argentina.
- Zambia yesterday condemned Argentina.
- Australia to recall Ambassador for urgent talks.
- Chile yesterday denied offer of facilities.

#### The Task Force

- Most papers carry stories about or from the task force. D/Telegraph says that fleet will eventually total about a score of warships. Argentine combat aircraft will outnumber sea Harriers by more than 10 to 1. There may be four nuclear submarines on the way. Government yesterday requisitioned more civilian ships.
- Meanwhile Argentina said to be pouring troops into the Falklands.

#### Strategy

- Guardian says Cabinet has still not made up mind on instructions for fleet and there are no formal option papers before the Cabinet. Some Tory MPs now having second thoughts about wisdom of task force.
- D/Telegraph says "defence experts" are expecting a long naval blockade.
- Times says that air superiority is crucial.

#### Economic Aspects

- Import ban is widely reported. FT describes it as most severe economic attack on trading partner since Rhodesia.
- Further fall in shares yesterday and £ down again to \$1.7495 despite Bank support. Main reason said to be fear of your resignation. Times says that Government has decided not to use reserves to support £. FT says further slide may lead to rise in base rates.



- Shore warns of economic effects and says that Labour will not support cuts in social security to pay for task force.

#### Defence White Paper

- FT says it may be delayed because of demands to review defence policy - this was denied yesterday by Ministry of Defence.
- Mail leader says crisis will make Government re-think defence priorities but this does not weaken the case for own nuclear deterrent.

#### Other Falkland News

- General Luciano Menendez, "Butcher of Cordoba" to govern Falklands. He is said to have been responsible for some death squads.
- All Falklanders welcomed to settle here says Home Office.
- British families in Argentine said to be angry with decision to send task force.
- Mr Pym plans shake-up in FCO.

#### Other comment:

- Telegraph praises Britain's action as an example to the world.
- Times says that we should be looking forward now to longer term settlement with Argentina.
- Guardian tells Government to take stock of situation and to look for realistic compromise. Peter Jenkins in the Guardian thinks we have taken leave of our senses.

#### Pay/Unions

- Nurses leaders threaten industrial action as they are refused arbitration.
- Power engineers vote against non-strike agreement.
- Massey Ferguson seek injunction to repossess Coventry factory.
- Times leader calls for balloting provisions in Employment Bill.
- Guardian leader doesn't find TUC opposition to Bill very credible.

#### Nationalised Industries

- New initiatives to improve efficiency following CPRS inquiry. FT feature.
- B/Telecom to spend 2½ billion on capital investment in current year.
- B/Rail advertising criticised by Advertising Standards Authority.

#### National Health Service

- Royal College of Physicians criticise plans to reduce numbers of junior doctors.

#### Child Benefit

- Change in rules will save £10 million.

#### Education

- Working Party report says too much time wasted in preparing PhD's. Research Council should impose sanctions on universities.



Channel Tunnel

- Would be a financial disaster according to Transport Studies Unit.

Inner Cities

- Mr Heseltine announces plans to produce more than £250 worth of investment.

Economy

- Money supply up by only quarter per cent in March but concern over high level of borrowing.
- Mr Brittan yesterday assured Commons of no change in economic strategy.

EEC

- Support for membership from Labour Group.
- Britain proposes EEC scheme for workers' rights to consultation.

President Reagan's visit

- "Reagan Reception Committee" to organise protest demonstrations.

B. MOWER  
7 April 1982



ANNEX

Ministers:

Sir Geoffrey Howe addresses The Bow Group dinner.

Mr Tebbit speaks on adapting to change at St Laurence Jewry (1.15pm).

Sir Keith Joseph addresses the Committee of Directors of Polytechnics Conference, Plymouth. (11.15am).

Mr Fowler addresses World Health Day Presentation by Age Concern "Add Life to Years), Lancaster House. (11.00am).

Mr Nott meets Australian High Commissioner.

Mr Blaker meets representatives of General Council of British Shipping.

Mr Waddington attends National Association of Port Employers annual lunch.

Mr Buchanan-Smith presents David Black Award 1982, Cafe Royal.

Mr Baker at BAe Intelsat 6 lunch and press conference.

Mr Wakeham visits Bank of America.

Mr King chairs Inner City Partnership meeting, Birmingham.

Sir George Young opens a Warden's scheme for Copex Housing Trust, Birmingham, and opens a Starter Home Scheme, Solihull.

Mr Rees addresses British Tunisian Society Annual dinner.

Mr Wiggin visits HQ USAF Europe, Ramstein, West Germany.