

PRIME MINISTER

LIAISON COMMITTEE

You are to chair the first meeting of the Liaison Committee, since the decision to reactivate it, at 11.00 am tomorrow. The Committee's membership is at Annex II.

2. The Committee met for a time during the first half of last year under the Lord President's chairmanship. Its objective is to take a longer term view of the presentation of Government policy, leaving more immediate issues to be handled by my co-ordination of Departments, operating under the broad remit given by the Liaison Committee and according to the guidance I derive from my daily meetings with you.

3. It would be useful at this first meeting to decide what is meant by longer term and how frequently you propose to chair the meeting (and how much you wish to leave to the Lord President). Your consideration will be influenced by your decision to have both the Lord President and the Paymaster General at your Monday and Friday media meetings.

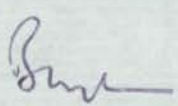
4. Against this background I suggest:

i You should set time aside to look at the year ahead. If you agree, you will need to commission papers so that there can be effective consideration. You may well feel that, given the state of the political calendar, it would be sensible to have the first such review of the year ahead in July immediately before the Recess or in September before you go abroad. I would suggest that both the CCO and I might usefully be invited to prepare papers from our different standpoints.

ii Given the attendance of the Lord President and the Paymaster General at Monday and Friday media meetings, you might aim to hold quarterly meetings, with the next soon after Easter. A July review of the year ahead would fall naturally into that sequence. You could then leave it to the Lord President to call meetings within each quarter as he feels necessary.

5. If this is accepted, the objective of tomorrow's meeting should be to look ahead to Easter.

6. Annex I sets the scene for this period and identifies the action required.


B. INGHAM

9 February, 1982.

HIGHLIGHTS TO EASTER

The period up to Easter is likely to be dominated by the following issues:

1. BUDGET - The extent to which it is seen to be relevant to (still rising) unemployment and to which it satisfies the various lobbies.
2. ECONOMIC BACKGROUND - US economy and interest rates; movements in UK economic indicators - the extent to which your policies can be seen to be succeeding.
3. PAY/PRODUCTIVITY - Progress of rail dispute and of pay round - notably nurses, gas, electricity, civil servants.
4. LOCAL GOVERNMENT - Rates; cuts; elections; council house sales; and, in London, transport: the need to place responsibility where it lies.
5. NATIONAL POLITICS - Hillhead; SDP/Liberal Alliance; Labour's march Left.
6. NORTHERN IRELAND - Plans for devolution; Republic moves after election.
7. EC BUDGET/CAP/UK CONTRIBUTIONS reform - The Mandate: culminating in March Euro-Council.
8. INTERNATIONAL AFFAIRS - Poland; East-West and Euro-Atlantic relations; Middle East - Sinai withdrawal; MFO; Visit of Mrs Gandhi for Festival of India.
9. IMAGE - Need for Government and yourself to present a more caring face to the world; and to give people hope.

The following questions flow from this agenda:

1. How do you wish to prepare the ground for the Budget; what line should we all be taking?
2. Is the overall economic line still cautious optimism - underlining individual items of good news as evidence of steady improvement, though with unemployment lagging?
3. How do you wish to influence the atmosphere before local elections; how do you place responsibility locally where it lies?
4. How should we approach Hillhead and play the Alliance?
5. How should we prepare the ground for the Brussels Euro-Council, end March?
6. Is the overall presentation of our international role satisfactory?
7. How can you present a more caring face to the world?

Your opportunities for major speeches outside Parliament up to Easter are:

- 23 February - Engineering Employers' Federation dinner
- 8 March - Finchley AGM
- 13 March - Local Government conference, Kensington (where you are scheduled to say only a few words)
- 27 March - Central Council, Harrogate

LIAISON COMMITTEE - MEMBERSHIP

Lord President

Chairman of the Party

Secretary of State for Scotland

Chief Secretary

Secretary of State for Employment

John Wakeham, Parliamentary Under Secretary,
Department of Industry

Peter Cropper, Head of Conservative Research
Department

Bernard Ingham, Chief Press Secretary

Andrew Ward (Lord President's Office) -
secretary