PRIME MINISTER

ITN INTERVIEW

You have agreed to be interviewed for ITN tomorrow evening by Alastair Burnet and then to have dinner with them. I have agreed on your behalf that, as agreed, they should record down to time (9 minutes) from 7.30 with a view to going into dinner around 8pm. The interview will be broadcast in News at Ten.

Those present will be:

- Paul Fox, Chairman ITN
- David Nicholas, Editor
- Sir Alastair Burnet
- Stewart Purvis, Deputy Editor
- Sue Tinson

I shall accompany you throughout.

I have had a talk with Alastair Burnet who is thinking of the following pattern:

- after your NATO visit, the prospects for East-West relations; arms control; whether we are acting in the spirit of arms control with our insistance on modernisation of nuclear weapons and Trident; third zero; European defence co-operation and compatibility with NATO;
- the NHS/economy focusing on the internal review and how you hope to achieve improvements in health care;
- possibly, in the wake of a Ford strike settlement, the implications for the economy, industrial relations, a return to the British disease;
- Anglo/Irish relations what is to be done?
- finally, whether you are reconciled to the televising of the Commons and how you see things developing? (NB: Alastair Burnet is convinced neither you nor the Government can lose.)

We can discuss the interview agenda at a briefing arranged for tomorrow evening.

So far as the dinner is concerned, you are of course aware of tension in the ITN camp over their future. Paul Fox and Alastair Burnet are at loggerheads. It is also clear that ITN is broadly aware of how the Government is approaching ITN's future in the context of broadcasting policy.

At the previous dinner when Alastair Burnet canvassed the idea of floating off ITN as a separate company, you asked ITN to let you have a note on their ideas. They never sent one simply because they can't agree.

They want a much more wide-ranging discussion this time about the state of politics; your views on a wide range of issues; and what you want to do next, after NHS reform.

Content?

BERNARD INGHAM
17 February 1988

PRIME MINISTER

ITN INTERVIEW - POINTS TO GET OVER

This is a 9-minute interview. You will need to be crisp and punchy with your points. I set out below the main points to get over.

Charles Powell has given you a speaking note on Northern Ireland - copy attached Annex I.

You do not need any briefing on <u>arms control</u>. But it is important to get over very clearly that:

- we are acting within the spirit of arms control in seeking to modernise our weapons; and
- ii. the question of "compensation" for INF is a false one and shows how easily the media in the West can fall for Soviet propaganda.

On the $\underline{\text{NHS}}$ the key thing to do after today's Cabinet is to kill stone dead any expectations of a public expenditure boost for the NHS in the Budget. Attached at Annex II is the note I have done for Press Officers.

I would also strongly urge you in discussing the $\underline{\mathtt{NHS}}$ to add that:

- i. you consider the concept of full and excellent treatment regardless of income to be fundamental;
- ii. it is entirely consistent with that objective to find alternative or additional means of funding the NHS; to insist on better value for taxpayers' through improved efficiency which the medical profession admit needs to be achieved; and to seek an end to restrictive practices which put the provider of the service before the patient.

On the Ford outcome, I suggest you concentrate on:

- how companies, including Ford, manage themselves is their affair;
- all you would say is that to survive, let alone prosper, they need to compete with overseas manufacturers;
- earnings increases continue to run far ahead of inflation, giving people in work further substantial improvements in living standards;

- if the costs of pay settlements outstrip productivity improvements then firms simply lose out to competitors;
- in those circumstances it is no earthly good employers, the TUC, unions and Labour MPs, who back every strike, coming to you crying crocodile tears by the bucketful if unemployment rises and manufacturers either pull out of Britain or refuse to invest here;
- today's 18th consecutive monthly fall in unemployment didn't just happen, though you sometimes think it has happened in spite of shop floor militants who seem quite determined to undermine Britain at every opportunity.

On Televising the House I would like you to say:

- No, my views haven't changed. I don't believe the Commons as it really is will be televised; it will be the Commons as it is subtly, and perhaps not so subtly, changed by the cameras that will be televised.
- It is no disrespect to television to say that everything it touches it changes by virtue of its presence.
- But the Commons has decided in a free vote which puts in perspective all this nonsense about a dictatorial and authoritarian Government and Prime Minister and now the Government and myself are going to make sure we make an even bigger mark through television.
- Virtually everybody I meet tells me neither the Government nor myself will lose from televising the House. I intend to prove them right.
- But that doesn't stop me thinking that the standing of Parliament, which is my real concern, will suffer.

Content?

Lyn

NORTHERN IRELAND: POINTS TO MAKE

Some people seem to be unable to understand the absolutely clear division in this country between the Government and the legal and judicial system. Prosecutions are not a matter for the Government but for the prosecuting authorities. The Stalker-Sampson report was a report to the Director of Public Prosecutions in Northern Ireland not to Ministers. I have not seen it. It was the DPP's decision not to initiate any further proceedings as a result of it. Attempts from some quarters to put pressure on the Government to somehow reverse his decision and initiate proceedings betray a total - and one sometimes feels wilful - misunderstanding of our legal system. The same of course applies to criticism of the judgement of the Court of Appeal on the Birmingham Six. It is absolutely inconceivable that the Government should intervene in any way or express a view about such a judgement.

* * * * *

There is also a great deal of ill-informed talk about the RUC being above the law or exempt from normal constraints. That is a gross slander on an outstandingly brave and courageous body of men and women who have borne the brunt of a vicious Republican terrorist campaign in Northern Ireland, in which over 250 members of the RUC have lost their lives. The only people in Ireland who have been operating a shoot-to-kill policy are the IRA, often appearing to operate from safe havens in the Republic. The facts are that:

- four RUC officers were tried for murder in connection with the events in 1982 and aquitted;
- there has subsequently been the very long and painstaking Stalker-Sampson inquiry, as a result of which the prosecuting authorities - not the Government - concluded that there were no grounds to initiate any criminal proceedings;
- now that issue has been settled, the proper steps are being taken to establish whether disciplinary

proceedings are justified.

I cannot think of events which have been more thoroughly or carefully investigated. What some of those who make allegations about cover-up are really saying is that they don't like the results of the inquiries which have so far been undertaken. It is they who are setting themselves above the law. There are also those in this country who are absolutely determined to attack the police and the security services at every opportunity. They have no regard for our security.

* * * * *

It is absurd to say that the <u>Government</u> has failed to carry out its responsibilities. There were matters in the first instance for the prosecuting authorities and the Courts. Only now that the Stalker-Sampson report has been fully considered by the Director of Public Prosecutions in Northern Ireland and he has reached his conclusions, does the Government have a duty to deal with aspects which <u>are</u> within its responsibility, that is questions of discipline and of the structure and management of the RUC. That is what the Northern Ireland Secretary said in his statement to the House of Commons yesterday. We are going through the proper procedures and it would be quite wrong to prejudge the outcome of the consideration of disciplinary proceedings which will now be undertaken by the Chief Constable of Staffordshire.

* * * * *

I find highly distasteful - and I think many people in this country will find highly distasteful - the ill-informed criticism and abuse of our legal system from some quarters in the Republic of Ireland. It betrays a complete lack of understanding of how the system operates. And of course at bottom it stems from a view that the only acceptable outcome from legal proceedings is one which those who make these criticisms want to see.

Of course the Anglo-Irish Agreement must go on and of course security operations across the border must go on, as I made clear to Mr. Haughey when we met in Brussels and he reiterated yesterday. Security co-operation is in the interests of both our countries because IRA terrorism is as much a threat to the Republic as it is to Northern Ireland, even though so far it is the people of Northern Ireland who have suffered the most.

* * * * *

I hope very much that no attempt will be made to turn extradition into some sort of bargaining counter. We were, as you know, very unhappy when the Irish Government introduced new obstacles to extradition at the time it ratified the European Convention on the Suppression of Terrorism. It would be a very black day indeed if the Republic were to become a safe haven for wanted terrorists. These are matters which we shall be pursuing with the Irish Government.

The following statement may be made on the record after Cabinet, subject to my clearance:

"The Cabinet today held the usual pre-Budget economic discussion. They reaffirmed the economic strategy. They welcomed the satisfactory prospects for the economy, and agreed that economic policy should remain prudent and cautious.

"They noted that increases in public expenditure programmes for the coming year of £4,500 million had already been decided, announced and would be debated next week.

"The Cabinet stressed that the forthcoming Budget is the occasion to review taxation and borrowing."

Unattributably, and in response to questions, you might get over the following points:

- the economic strategy is founded on sound financial policies and the control of inflation;
- this has produced seven years of continuous economic growth
 an outstanding post war achievement;
- it is this growth and this growth alone which has permitted the Government to devote more resources to priority areas - most notably the NHS;
- as a consequence of this policy, an additional £1.1bn over the amount originally planned has been set aside for the NHS for the coming financial year and was announced in the public expenditure plans announced last November; this is equivalent to 1p on the standard rate of tax;
- the Government is of course aware of the campaign being waged by NHS unions and the Opposition to try to secure more funding for the NHS in the Budget;
- the clear message from the statement issued after Cabinet is that this campaign is wholly misconceived; the Budget is not the time or place for public expenditure increases;
- no <u>responsible</u> Government could contemplate responding to campaigns of this kind since all they would achieve would be to encourage every protest group in the country to believe that all they had to do in advance of the Budget was to demonstrate;
- the Government's message is clear: public expenditure is not for the Budget.

BERNARD INGHAM

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PRIME MINISTER

ITN

David Nicholas, Editor ITN, came to see me last night about the visit to ITN on Thursday, February 18.

The whole of the evening is free in the diary and he wondered whether you would like to make an early start and be interviewed for Channel 4 (Peter Sissons) from 7pm (which, he said, ITN would pick up and run at 10pm) or whether you would prefer to record for ITN (Alastair Burnet) before going in to dinner as already arranged.

My advice is to stick with News at Ten and Alastair Burnet. It is true that Channel 4 will give you greater coverage. <u>But</u>, while Peter Sissons is a good interviewer (he interviewed you in Strasbourg) Alastair Burnet is better.

Agree to stick with the original arrangements for ITN interview?

Tes mo

BERNARD INGHAM

29 January 1988