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CABINET

CONCLUSIONS of a Meeting of the Cabinet
held at 10 Downing Street on
THURSDAY 28 APRIL 1988
at 10.30 am

P R E S E N T

The Rt Hon Margaret Thatcher MP
Prime Minister

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State for Foreign and
Commonwealth Affairs

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer

The Rt Hon Lord Mackay of Clashfern
Lord Chancellor

The Rt Hon Douglas Hurd MP
Secretary of State for the Home Department

The Rt Hon Peter Walker MP
Secretary of State for Wales

The Rt Hon Norman Fowler MP
Secretary of State for Employment

The Rt Hon Tom King MP
Secretary of State for Northern Ireland

The Rt Hon Nicholas Ridley MP
Secretary of State for the Environment

The Rt Hon Lord Young of Graffham
Secretary of State for Trade and Industry

The Rt Hon Kenneth Baker MP
Secretary of State for Education
and Science

The Rt Hon Kenneth Clarke QC MP
Chancellor of the Duchy of Lancaster

The Rt Hon John MacGregor MP
Minister of Agriculture, Fisheries
and Food

The Rt Hon Malcolm Rifkind QC MP
Secretary of State for Scotland

The Rt Hon Paul Channon MP
Secretary of State for Transport

The Rt Hon John Moore MP
Secretary of State for Social Services

The Rt Hon John Wakeham MP
Lord President of the Council

The Rt Hon The Lord Belstead
Lord Privy Seal

The Rt Hon Cecil Parkinson MP
Secretary of State for Energy

The Rt Hon John Major MP
Chief Secretary, Treasury

ALSO PRESENT

The Rt Hon David Waddington QC MP
Parliamentary Secretary, Treasury

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SECRETARIAT

Sir Robin Butler
Mr R G Lavelle (Items 3 and 4)
Mr P J Weston (Items 3 and 4)
Mr A J Langdon (Items 1 and 2)
Mr S S Mundy (Items 1 and 2)

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PARLIAMENTARY
AFFAIRS

1. The Cabinet were informed of the business to be taken in the House of Commons in the following week.

Rover Group

Previous
reference:
C(88) 8.2

THE CHANCELLOR OF THE DUCHY OF LANCASTER said that the debate on the Rover Group on a Motion for the adjournment on the following Wednesday was in fulfilment of the Government's undertaking to provide time for a debate on this topic. There was, nevertheless, nothing significant that the Government could add to their earlier statements about the plans to privatise the Rover Group and there was a risk that any criticism by the Opposition of the proposed level of Government assistance would add to the difficulties of handling that matter with the European Commission. The European Commissioner responsible, Mr Sutherland, was presently consulting other member states, and was expected to come to a conclusion on the matter by the end of May.

Abortion
(Amendment)
Bill

THE SECRETARY OF STATE FOR SOCIAL SERVICES said that the supporters of Mr David Alton's Abortion (Amendment) Bill had not given any sign that they were prepared to accept an increase in the Bill's stipulation of 18 weeks as the point at which abortions should, in general, be unlawful. In particular, they had so far refused to contemplate the figure of 24 weeks, which had general medical acceptance as the time above which a foetus would be independently viable. The figure of 24 weeks was already administratively recommended to doctors by his Department as, in general, the upper limit for abortions to be carried out. It was likely that the Bill's Report Stage on Friday 6 May would be the occasion for a series of votes on various time limits. The Government's position remained one of neutrality, with the Health Ministers being willing to offer factual advice on the medical implications of the various propositions.

In discussion the following main points were made -

a. It was quite possible that the Abortion (Amendment) Bill would run out of time and, in that event, acrimonious dispute on the abortion issue could be expected to continue in forthcoming sessions. Even if a Parliamentary majority could be found for a limit of, say, 24 weeks, that would not be the end of the matter, since the supporters of the present Bill would certainly continue their campaign to have that limit reduced. It was just possible that a limit of around 22 weeks might attract sufficient consensus support to settle the issue for the rest of the present Parliament, but any reduction below 24 weeks clearly risked provoking a counter-campaign by supporters of the position that effectively obtained at present.

b. A complex aspect of the debate was the allowance that should be made for abortions to be carried out in cases where the foetus could be shown to be abnormal. The scope for tests of unborn children was constantly expanding, and the demand for them could be expected to increase accordingly. If the general limit for

abortion was pitched below the point at which reliable tests could normally be carried out on foetuses, then more importance was assumed by the exceptions that were allowed for abortions to be carried out when abnormalities were detected. The arguments therefore depended on a sound understanding of the present state of medical science.

An important factor in the Bill's Report Stage would be the order in which the Speaker called the amendments. If, as on previous occasions, the amendments started at the upper end of the proposed time limits, and worked downwards, then it was possible that the 24-week limit might be approved. If, on the other hand, the amendments began at the lower end of the range, then some limit lower than 24 weeks might possibly win a majority.

THE PRIME MINISTER, summing up the discussion, said that the future of the Bill would depend on the progress which it made in Private Members' time. While the Government remained neutral on the issue, colleagues would be greatly assisted if they could be provided with factual advice on the issues that would arise on the Bill's Report Stage. To that end, the Secretary of State for Social Services should circulate a note setting out the Bill's provisions and the amendments that were proposed, together with an analysis of their medical implications and an account of the views expressed by the Royal Colleges. As soon as the procedural prospects for the Bill's Report Stage became clear, the Lord President should also circulate a note on that aspect.

The Cabinet -

1. Took note, with approval, of the Prime Minister's summing up of the discussion and invited the Secretary of State for Social Services and the Lord President to circulate notes on the lines that the Prime Minister had indicated.

Housing
Benefit

Previous
Reference:
CC(88) 14.1

THE PRIME MINISTER said that, following the discussion at the previous week's Cabinet, it had been agreed to make adjustments to the housing benefit arrangements on the capital limit, the treatment of property belonging to elderly people entering care homes, and on the provision of transitional protection. These modifications had been announced by the Secretary of State for Social Services during the debate on housing benefit in the House of Commons the previous day, and had been well received by the Government's supporters. Much credit was also due to the Chief Whip and the other Whips for the work which they had done to explain the Government's position to backbenchers in this and other recent debates. While the changes had clearly been necessary in the circumstances, they came on top of the Cabinet's decisions, at its previous two meetings, to meet the additional costs of the National Health Service pay awards from the Reserve and to reduce the housing

benefit taper to coincide with the introduction of the community charge. These decisions greatly limited the room for any possible further additions to public expenditure, on which the tightest control would need to be maintained.

The Cabinet -

Endorsed the Prime Minister's comments.

HOME AFFAIRS

Industrial
Action at
P & O
European
Ferries

Previous
Reference:
CC(88) 14.2

2. THE SECRETARY OF STATE FOR EMPLOYMENT said that the strike action by employees of P & O European Ferries at Dover was likely to reach a critical stage later that week as P & O sought to return one or more of their ferries from Rotterdam. There were already some signs of the action spreading to Folkestone, Hull and Liverpool and there was a risk that the industrial action would escalate further and cause substantial disruption at all of the ferry ports. Legal action was being taken in the High Court by the ferry operators that day to seek to have the National Union of Seamen (NUS) ruled in contempt of an injunction banning secondary action. Although that might lead to a heavy fine and to the sequestration of the union's assets, the NUS, who were considering an amalgamation with another union, had not been deterred by that possibility. The Transport and General Workers Union had said that their members would help to berth ferries provided they were manned by British crews, but French seamen's unions had said that they would boycott any ship sailed by non-NUS members. Although the negotiating positions of P & O and the NUS had come reasonably close together during negotiations earlier that month under the auspices of the Advisory, Conciliation and Arbitration Service, both parties to the dispute had now become firmly entrenched and an early settlement no longer appeared to be in prospect. P & O had indicated that if they were unable to secure satisfactory arrangements for running their ferries, as a last resort they would sell their fleet rather than back down in the face of the union's demands.

THE SECRETARY OF STATE FOR TRANSPORT said that he had satisfied himself, in accordance with the requirements of the Merchant Shipping Act 1970, that the new crew agreements proposed by P & O were satisfactory. Department of Transport surveyors were currently examining the ferries which P & O were proposing to sail from Rotterdam and checking safety procedures. The NUS were claiming that P & O's plans involved unacceptably low safety levels but there was, in fact, no question of ships being allowed to sail unless they came up to the highest standards.

THE HOME SECRETARY said that the Kent Police had made contingency plans, including arrangements for mutual aid from Essex, Surrey and Sussex, to deal with any escalation of the dispute. So far, the demonstrators had been generally peaceful and good-natured. There had been some general

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allegations that seamen had been intimidated into not going to work: it was important that anyone who had evidence of intimidation should report the matter to the police.

THE PRIME MINISTER, summing up the discussion, said that it would be important to remind the public that the majority of P & O employees at Dover had accepted the company's recent offer. The NUS were seeking to preserve restrictive practices through intimidatory picketing.

Civil Service
Day

THE CHANCELLOR OF THE EXCHEQUER said that the National executive of the National Union of the Civil and Public Servants had unanimously recommended to their members acceptance of a pay offer of 4½ per cent and had given an undertaking that they would enter into talks on long-term flexible pay. This isolated the Civil and Public Servants Association which had yet to settle.

Industrial
Action in
the Northern
Ireland
Prison
Service

THE SECRETARY OF STATE FOR NORTHERN IRELAND said that there had been limited industrial action in the previous week in the Northern Ireland Prison Service in protest against the introduction of the Fresh Start working arrangements there. It appeared that this had been part of an attempt by the leadership of the Prison Officers' Association (POA) to reopen issues which had already been settled in England and Wales. Discussions between the Prison Service management and the POA had broken down but there would be a further meeting later that day. Contingency plans were in place to deal with any further industrial action which might arise.

The Cabinet -

Took note.

FOREIGN
AFFAIRS

Anglo-Irish
Relations

3. THE FOREIGN AND COMMONWEALTH SECRETARY said that despite lamentable speeches by the Taoiseach, Mr Charles Haughey, in New York and at Harvard University during the preceding week, he himself had deliberately not reshaped his own speech on Anglo-Irish relations on 22 April, intending that it should be read side-by-side with Mr Haughey's contribution. As a result there had been criticism of Mr Haughey in the Irish press and in the Dail for failing to attack terrorism in the presence of an American audience, for casting doubt on the Anglo-Irish Agreement and for reverting to his long-term aim of Irish unity rather than supporting the emphasis on devolution in the Anglo-Irish Agreement.

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THE SECRETARY OF STATE FOR NORTHERN IRELAND said that the impact in Dublin of the Foreign and Commonwealth Secretary's speech had been in stark contrast to that accorded to the speeches of Mr Haughey which were seen by all except his staunchest supporters as having been a major error. In the way his speeches were presented and distributed Mr Haughey had pandered unreservedly to Irish-American opinion and had been very dismissive in his few references of support for the Anglo-Irish Agreement. It would be necessary to find ways to restore the confidence that Mr Haughey had forfeited by this episode; and the Irish Government would have to make a major contribution to this.

Irish
terrorist
bomb attempt
in Gibraltar

Previous
reference:
CC(88) 9.3

THE FOREIGN AND COMMONWEALTH SECRETARY said that Thames Television were intending to show that evening a programme about the shooting of three Irish terrorists in Gibraltar on 6 March entitled "Death on the Rock". A central point in the programme was likely to be an interview with an alleged eye-witness which would seek to cast doubt on the explanation of this incident which the Government had given to Parliament. He had taken the matter up with the Chairman of the Independent Broadcasting Authority (IBA), Lord Thomson, pointing out that to show such a programme before the inquest had taken place could be prejudicial to a fair hearing of the evidence at the inquest. After previewing the full programme together with their lawyers, and Thames Television, the Authority had replied that they saw no grounds in law to stop the programme from being shown. In saying this they were no doubt aware that it would be difficult to bring an action for contempt in the British courts when the inquest was to be held in Gibraltar. His own recollection was that the question of witnesses being pre-examined on television before an inquiry took place had been looked into by a Commission on tribunals of inquiry chaired by Mr Justice Salmon in 1968 after the Aberfan pit disaster; and that Mr Justice Salmon's report had contained very strong recommendations against this practice on the grounds that it amounted to contamination of evidence. If this recollection was confirmed by reference to the Salmon Report, he intended to make another attempt to dissuade the Chairman of the IBA on the broad grounds that to go ahead with the programme before the inquest would be an act of irresponsibility.

Hijacking of
Kuwaiti
aircraft

Previous
reference:
CC(88) 14.3

THE FOREIGN AND COMMONWEALTH SECRETARY said that the United Kingdom was making the running on international follow-up action to the hijacking of the Kuwaiti aircraft. He had presented a five-point plan to the European Community on 25 April, which had also been tabled in the International Civil Aviation Organisation (ICAO) on 26 April. The United Kingdom was in addition pressing for action in the context of the forthcoming Toronto Summit of the seven major industrialised countries. This plan called for accession to The Hague Convention by non-signatories such as Algeria; the strengthening of the provisions of the Conventions, for example to prevent hijacked aircraft from moving

between airports; the establishment of a group of counter-terrorism experts under ICAO auspices to be on permanent standby to advise governments on future hijackings; and a comprehensive investigation of the circumstances of the hijacking itself. The degree of Iranian complicity was still unclear and officials were having a fresh look at the whole question of involvement in terrorism by Iran. Saudi Arabia had severed diplomatic relations with Iran, no doubt having also partly in mind possible difficulties over forthcoming pilgrimages to Saudi Arabia's Islamic holy places. The Government had also had some difficulties in handling the Algerians and in persuading them that the United Kingdom was not conducting a vendetta. There was a limit to how far the Government could get out ahead of everybody else in acting as the international conscience. But there were some signs that Algeria might be ready to rethink matters and to discontinue its role as an intermediary for aircraft hijackers.

ab/Israel
spite

previous
reference:
(88) 14.3

THE FOREIGN AND COMMONWEALTH SECRETARY said that, while there was no conclusive evidence, there could be little doubt that the Palestinian Liberation Organisation official, Khalil al-Wazir (Abu Jihad) shot dead in Tunis on 16 April had been killed by Israeli agents. The matter had been considered in the United Nations that week. The United Kingdom had shown firm support for a Tunisian sponsored Security Council resolution which had condemned the murder as an aggressive act against Tunisia while stopping short of naming Israel explicitly. The United Kingdom was continuing to urge moderation and restraint on the Palestinian side in an effort to avoid retaliation leading to a continuing spiral of violence.

Iran/Iraq
war

previous
reference:
(88) 11.3

THE FOREIGN AND COMMONWEALTH SECRETARY said that the United States was proposing new intensive diplomatic efforts at the United Nations to end the conflict between Iran and Iraq together with a review of the co-ordination of Western forces in the Gulf. The Secretary of State for Defence had met the United States Defense Secretary, Mr Frank Carlucci, on 27 April in Brussels and both he and Mr Younger were in touch with their Dutch and Belgian colleagues. They had reached no firm conclusions but had agreed to explore the scope for greater co-ordination of naval activities. The United States now seemed to be standing back from any earlier suggestion of a major extension of naval protection. The United Kingdom must be careful not to allow responsibilities to run ahead of the resources available. The Iraqis' had received a psychological boost through the recovery of the Fao Peninsula which might be helpful in securing follow-up action to United Nations Resolution 598. But the Soviet Union were continuing to drag their feet on this.

Republic of
South Africa
previous
reference:
(88) 11.3

THE FOREIGN AND COMMONWEALTH SECRETARY said that the speech by the South African President, Mr P W Botha, on 21 April set a welcome tone in turning the South African Government away from appeasement of the far right. It was a continuation of their policy of co-opting and encouraging suitable black leaders to participate in the process of government. It was also an implicit acknowledgement that the very repressive measures against extra-Parliamentary opposition announced in February had been a move in the wrong direction.

Presidential
election in
France

THE FOREIGN AND COMMONWEALTH SECRETARY said that after the first round of voting on 24 April the President of France, Monsieur François Mitterrand, had emerged as favourite to win the election. The first round result had been bad for the French Prime Minister, Monsieur Jacques Chirac; quite a good result for Monsieur Raymond Barre; and a spectacular success for the National Front candidate, Monsieur Jean-Marie Le Pen. It would be very difficult for Monsieur Chirac to recover sufficiently in time for the second round of voting on 8 May. The announcement on 1 May by Monsieur Le Pen of his own attitude to the second round vote was keenly awaited. Meanwhile support for the French Communist Party had continued to fall markedly.

Italy
previous
reference:
(88) 11.3

THE FOREIGN AND COMMONWEALTH SECRETARY said that the new Italian Government was now in place. Signor Andreotti remained as Foreign Minister.

The Cabinet -

Took note.

COMMUNITY
AFFAIRS

Foreign
Affairs
Council,
25-26 April

4. THE FOREIGN AND COMMONWEALTH SECRETARY said that at its meeting on 25-26 April the Foreign Affairs Council had reviewed progress in the implementation of the European Council conclusions. Work had been going ahead well, including the position reached on the agricultural stabilisers and the budget discipline text. The Italian problem over the financing of the United Kingdom abatement remained unresolved. We looked to the disagreement over the calculation of relief for Spain and Portugal to be settled at the same time. No conclusion had been reached on the date of the 1989 European Parliament elections, but an eventual consensus on 8-11 June seemed likely. The Council had endorsed a Commission paper on EC-Japan relations which had set out within a balanced framework a helpful catalogue of objectives. The proposed EC-Turkey Association Council had not taken place. The problem of satisfying the Greeks while not offending the Turks had been resolved during the United Kingdom Presidency in part by the device of making a

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statement on the Presidency's own responsibility. On this occasion, the Greek Foreign Minister, who had in general not appeared imbued with the spirit of the Davos agreement, had proposed a reference to Cyprus in the Presidency statement which the latter had accepted in a modified form. The Presidency had, however, misjudged its acceptability to the Turks, who had taken umbrage at it. A dinner with the Turks took place but had led to further acrimony. There was no point in apportioning blame for this debacle, but it would be more difficult to take matters forward against this background.

The Cabinet -

Took Note.

Cabinet Office

28 April 1988

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