PRIME MINISTER

c.c. Mr. Ingham Mr. Pattison

Press Summary: 19 December

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Poland

Walesa reported to have been arrested in Gdansk with other
Solidarity leaders - Daily Star prints his last interview; authorities
alleged to have used a phoney Walesa on television; new Polish
Ambassador to Britain says Walesa is having special treatment.

Russian troops in Polish uniforms reported to be being used.

Riot police put down hymn-singing demonstration in Warsaw to commemorate Cardinal Wyszynski; tear gas thrown through church windows.

Mail says 1,000 workers have barricaded themselves into Stettin shipyard

Polish leaders not so far announced as being at Brezhnev's. 75th birthday party in Kremlin.

Comment: Telegraph - West should consider using the measures it had prepared if Russians had invaded Poland, including stopping American grain exports to Russia.

Times: Western Governments have no choice but to become more critical and demanding; most support demands of the church; apart from rescheduling debt (which is inevitable) regime should be deprived of all political support and economic aid, apart from relief, until it moves towards reconciliation.

Unions/Pay

Nurses leave No.10 empty-handed but with prospect of new pay system in 1983; disappointed not for 1982.

Miners move close to national strike; Times says leader of three Leicestershire men who voted against Executive Motion said the meeting was stormed by hundreds of miners from left-wing coalfields, and

McGahey allowed them into the meeting; Express: offer is fair and

generous; Government should not panic, and NCB should stand its ground: the left is jockeying miners into position for a strike.

Andreas Whittam Smith, Telegraph, says contrast between public and private sector pay performance in this round is instructive.

Talbot car workers get improved offer of 7.5%.

Hosiery and knit workers accept 5%.

Unlikely Sunday newspapers on 27 December will be distributed in London because distribution workers will strike if they don't get pay parity with Fleet Street.

Labour Law

Mr. Tebbit preparing to lower level of damages which can be awarded against trade unions after hearing worries of Conservative Trade Unionists.

Manchester judge says picketing of Doncaster firm by workers from the closed Manchester subsidiary is unlawful.

Economy

IRP up to 12% but the Financial Times says officials are confident it will edge down before the middle of next year.

Du Cann's Select Committee wants the Government to explain its economic policies - it has abandoned its original strategy but failed to redefine its course. Tim Eggar says they don't know what the Government is up to at the moment; Mr. Heath accuses Government of lack of direction, and calls for clarification of economic policy; Financial Times leader says the Government's policy is visibly changed, but its new direction is a mystery.

US Economy contracting at an annual rate of 5.4%.

Jock Bruce-Gardyne says banks are fuelling inflation by taking too big a share of the home loans market.

Local Authority/Transport

Mr. Howell says he has no intention of introducing legislation to promote inefficiency in London Transport; a 60% increase in fares (and not 150%) should suffice to put things right.

Norwich City Council lose its case that Mr. Heseltine acted illegally in taking over Council house sales but is to appeal.

Industry

British Fishing Federation wants more cash aid from the Government - otherwise industry will collapse.

Vauxhall car prices going up on 4 January.

Last-minute Christmas shopping spree.

Burmah launches £77 m take-over bid for Croda International.

Mail says Laker's transatlantic fares may go up 20% - the firm's rescue expected to be finalised on Monday.

British Airways send girl in their care to the wrong country - to Frankfurt instead of Naples.

Medical

British Home Stores say they have no intention of taking Indian first-aid kits off their shelves after Dr. Vaughan said they had agreed to do so; admits DHSS knew about dressings for 3 months without taking action.

Law and Order

17 feared dead in Nottinghill bedsit fire.

seized

13 tons of cannabis/in Greenock.

Northern Ireland

Chief Constable accepts offer by official Unionists to coordinate information about terrorism.

Media

Livingstom taking Sun to the Press Council for its headline "This damned fool says the bombers are not criminals".

John Junor fined £1,000 for mongol baby case contempt, and Sunday Express £10,000.

Politics

Report that Jeremy Thorpe may make a Liberal come-back at next Election

International

USA: Regan suspends military pack with Israel in retaliation for Golan Heights annexation; bomb for President from Puerto Rico intercepted and dismantled.

Italy: Pleas for life of US General captured by Red Brigade.

Zimbabwe: 6 killed as blast wrecks Mugabe's party headquarters.

Albania: Prime Minister Shehu commits suicide.

BERNARD INGHAM