PRIME MINISTER

MAIN EVENTS

British Telecom overtime ban and work to rule over pay begins

PUBLICATIONS

DES: Response to Education Select Committee report on expenditure

STATISTICS

Credit business (Nov)

Retail sales (Nov-final)

Producer price index numbers (Dec-prov)

PAY

Prison Officers; 18.300; simplified pay structure with enhanced salary, put to unions

Mr Baker meets NAS/UWT

PARLIAMENT

Commons

Questions: Transport; Wales; Energy

Business: Local Government Finance Bill: Second Reading and Money

Resolutions.

Adjournment Debate

The licensing and registration of residential care homes for

the elderly (Mr P Bruinvels)

Lords: Gairloch Harbour Order Confirmation Bill: Third Reading

Shetland Islands Council (Ham Voe, Foula) Order Confirmation Bill:

Third Reading

Teachers Pay and Conditions of Service Bill: Second Reading

Patents (Amendment) Bill: Second Reading

MINISTERS - See Annex

PRESS DICEST

KINNOCK'S BPOADCAST - and Politics

- Labour Party will take back any tax concessions in next Budget; people don't want tax cuts Kinnock says they prefer to see high quality services. Kinnock in trouble with EETPU for crossing picket line to broadcast.
- Radice promises abolition of remaining grammar schools within 2 years of election of Labour Government.
- Kaufman promises a nationwide crime prevention scheme.
- Observer gives Labour a big lead in Greenwich, but MORI, for LWT's "Weekend World" shows Conservatives well ahead in Tory held marginals.
- Star leader, headed "Confusing the Voters," says Bishors Stortford was a monumental waste of time if Hattersley's speeches since are anything to go by. Voters must be more confused than ever. There surely should be little difficulty in spelling out how much Labour plans would cost. Electorate are not going to be daft enough to hand over a blank cheque.
- Sun P4: I'll claw back tax cuts says Kinnock; poll shows Tories
 "streaking away" reference to Weekend World's survey of 90 marginals
 where Tories scored 44/Labour 38/Alliance 18; leader asks if some
 Shadow Cabinet members are more honest than others since Hattersley says
 Labour's spending plans will hit only the better paid while other
 Shadow Cabinet members admit just about every taxpayer would be hit.
- Mirror P2: Kinnock says Tory tax cuts are a "cheap gimmick".
- Today P2: Why Kinnock will claw back tax cuts plans for growth have their price. Despite spectacular lead in Greenwich, according to Observer, Labour is failing to make an impact on Tory-held marginals.
- Express P2: Big poll boost for Tory hopes reference to Weekend World survey. Another story says "Labour is planning a blitz on private schools".
- Mail P2: Kinnock warns: I will cancel those tax cuts. Paul Johnson says Hattersley's blood curdling predictions about the economy reflects Labour's desperate anxiety to keep the election debate off defence and reveals their inner lack of confidence. And it doesn't carry conviction.
- Telegraph P10: Budget tax cuts would be clawed back by Labour. A feature reports signs if increasing Tory confidence over the election.
- Times: Income tax cuts made by the Government in the run-up to the general election would almost certainly be reversed if Labour gained power, Neil Kinnock indicated yesterday; a survey by "Weekend World" shows that 66% of voters in Tory-held marginals believe you will win. Giles Radice also says that independent schools will lose their tax concessions.
- Geoffrey Smith, in <u>Times</u>, says Labour will continue to proclaim in public that they will win outright. But they do not really expect to do so. They want to deny you an overall majority, leading to an early second election.

KINNOCK'S BROADCAST - and Politics (Cont'd)

- <u>Independent</u>: LWT's Harris poll predicts 100 seat Tory victory with the Covernment better placed in SDP/Liberal seats than in those held by Labour. Peter Kellner says that the election could wipe out the Government's majority (Indpendent).
- Guardian: Kinnock will reverse "give away budget" and Tories get marginal seats boost.
- FT: Mr Kinnock said he would reverse tax cuts should Labour win the next election.

- <u>Independent</u>: Labour planning a shake-up of councils more frequent elections and a quality commission are proposed.
- <u>Sun</u> feature speculates on whether blind David Blunkett will be the next leader of the Labour Party; it says he has backed Militant Hatton and is supported by private business.
- <u>Guardian</u> says senior colleagues of Mr Tebbit fear that "the row over his view of Tory voters' consciences" could damage the Government politically Quotes an unnamed senior member of Cabinet who says Mr Tebbit speaks with breathtaking insensitivity.

DEFENCE

- Fow brewing over lorry, believed to be carrying nuclear weapons, which skidded off an icy road in Wiltshire; Opposition demands a statement.
- Today claims NATO chiefs are furious because "the accident enabled Soviet spy satellite to take clear photos of the vehicles involved" story appears below Today photos of the vehicles involved!
- Mail says someone blundered in sending covoy out on slippery roads; the public has the right to be told why.
- Opposition MPs call for inquiry on "nuclear" convoy experts do not think there was any danger of a nuclear explosion (Independent).
- Guardian leader wonders whether we need such dangerous nuclear toys as depth charges.

CITY

- Guinness appoint 3-man executive to replace Saunders who has stood down as chairman and chief executive pending outcome of inquiry; plus temporary chairman.
- More executives expected to resign, including finance director, Roux.
- Morgan Grenfell is understood to have had a £150m unidentified exposure on share purchase during the Guinness takeover bid. Any losses would have been covered by adjustment in the bank's fees.

ECONOMY

- Article in <u>Times</u> says all eyes are on cut in the basic rate of tax in the Budget. But it would be better to cut the top rates and thus increase revenue.
- New figures turn around the North-South argument. Sharpest increase in unemployment has been in London where since 1979 it has risen by 242% (Independent).
- Telegraph reports a threefold rise in the number of 3-car homes over the last 10 years.
- <u>Times</u>: OPEC may face growing difficulties in maintaining higher oil prices as oil consumption by the west increases only moderately this year.
- Chancellor plans strategy amid speculation that he will have scope for a large cut in income tax (FT).

INDUSTRY

- Jaguar sold record £800m worth of cars last year third year in succession it has beaten its previous best.
- Today says Peter Walker will announce go-ahead for Sizewell PWP next month.
- Robert Adley MP says large areas of Britain would be left without trains if privatisation went ahead.
- <u>Times</u>: B/Airways was last night named "Airline of the Year" in a US survey.
- A leading aircraft leasing company is expected to announce an order for Airbus A329s today in a big boost for B/Aerospace.

UNIONS

- B/Telecom disruption over pay starts today.
- <u>Sun</u> says NU Seamen is centre of big ballot rigging scandal based on <u>all</u>egations by 25 disgruntled members.
- NUJ fines 95 Wapping journalists £1000 for breaking an instruction not to work there; 320 journalists acquitted.
- The TGWU is producing a short video film to the beat of rock and roll to promote itself.

EDUCATION

- Express leader says that if Tony Benn or Ken Livingstone became the next Education Secretary we could get peace studies and anti-sexist lessons imposed from Whitehall. This possibility should concentrate people's minds on education as a key election issue.
- Times leader in favour of student loans.

AIDS

- Today feature by Christopher Monckton forecasts 1m dead by year 2000 if we don't act now.
- Full page in <u>Independent</u> highlights the risk to heterosexuals and editorial says AIDS is a moral question as well as a social disease. Crude and casual sex on soap operas, newsagents shelves filled with pornography make it hard to reconcile the message and values in the Fowler note to householders.
- <u>Times</u>: The Government is likely to announce that an extra £12m is to be spent on the treatment and counselling of AIDS patients.

HEALTH/WELFARE

- Survey in British Medical Journal says premature death among unemployed is half as much again as that of those in work.
- 16 people from Wigan going on world cruise at up to £17,000 on redundancy money; Sun leader says Britain takes pride in being a caring society but that must not mean helping crafty and feckless individuals who rush to spend their own money so that they can then cadge off the rest of us.
- <u>Mirror</u> feature 30 families living like refugees in "shanty town" in Cornwall; leader says bad housing has become Eritain's forgotten scandal.
- <u>Times</u>: The Government last night denied cutting back on life-saving cold weather payments to the elderly as Britain became gripped by the worst weather this winter.
- Michael Meacher says Labour would pay a £5 a week premium throughout the winter for 2.75m pensioners below or near the poverty line and introduce a crash programme of home insulation.
- House Euilders Federation say inner city redevelopment rather than green field building will not solve housing problems.

TV LICENCE

- Star launches petition to MPs to vote for the free TV licence for pensioners. Bill on Friday.

WEATHER

- 3 dead so far in cold snap which forecasters say will get worse.
- Today says there is still confusion and uncertainty over elderly's heating entitlement. Britain's elderly deserve better, it says.
- John Major, on front page of the <u>Mail</u>, hits back at critics of £5 exceptionally cold weather payment; an extra source of help that did not exist until this Government came to office; <u>Mail</u> leader says the new rules do not exactly radiate generosity and if the system is shown to be deficient the Government must improve it and fast.
- Age Concern launches appeal today to help old people in need because of cold.
- Meacher calls cold weather payment system a cruel deception (Independent).
- Telegraph leader says that if the Government thinks it has discharged its responsibilities by offering a £5 a week supplement it is deceiving itself.

ENVIRONMENT

- Dr David Clark, Opposition Spokesman, claims the Government is backing proposals to curb agricultural production which will destroy the countryside; will encourage Creen Belt building.

LAW AND ORDER

- CD Powell's burglary reported in Sun and Telegraph.
- Police investigating claim that a disgruntled detective made hoax Yorkshire Ripper tapes in protest over the way the inquiry was being handled.
- UK Immigration Advisory Service, in its annual report, claims that immigration staff tried to provoke the imposition of visas on Commonwealt citizens (Independent).
- Times: The proposed new powers of the director of the Serious Fraud Office are attacked by the Law Society as "draconian" and "alarming" in a briefing paper to MPs today.
- Times leader calls for special investigation into Scottish prison riots.

SPORT

- <u>Sun</u> leader, on 20 year old policewoman who was pelted with riot gas missiles at Reading v. Arsenal cup tie and finished up in hospital, says while soccer violence has been curbed, the menace of the thug remains.

PEOPLE

- <u>Sun</u> says Prince Edward will announce he <u>is</u> leaving the Royal Marines today; so do <u>Express</u>.
- 5-day old baby found abandoned in freezing telephone kiosk in Finchley, wrapped in blanket and cardboard box.
- Sir David Pobinson, Cambridge philanthropist, dead, 82.
- Harriet Harman MP gives birth to baby daughter.

NORTHERN IRELAND

- <u>Times</u>: Security for Ian Paisley has been increased following an alleged threat to his life from INLA, which has warned of a campaign of assassination against Loyalists.

EC - announces give-away scheme to get rid of 1m tonnes of stockpiled butte:

- Mark and Guilder up 3% in EMS re-alignment.
- Telegraph says Corby hit the jackpot by acquiring more than £130m in EC aid.

FALKLANDS .

- George Younger to spend week there George Foulkes, Opposition Spokesman, describes it as "a panic measure".
- Express leader says that once you have won the next election Argentina may get the message; then talks might begin on sensible subjects like fishing, trade and an end to hostilities which Britain did not begin.
- FT says contacts between UK and Argentinian officials to reduce possible conflicts over new fishing zone have been confirmed.

WEST GERMANY

- Opinion poll gives Kohl 55%; SPD 36.5%.

IRAN/IRAQ

- 60,000 reported dead and wounded in 3 days of fighting which involves missile strikes on cities.

EAST-WEST

- Russia up-grades its arms control negotiating team.

USSR

- The coldest January for 37 years is putting a serious strain on the Soviet economy, already suffering a severe energy shortage.
- The Pope and Corbachev may hold a "summit".

FRANCE

- <u>Times</u>: M. Chirac has won a victory. The strikes have started to collapse.

US

- <u>Times</u>: The Senate select committee on intelligence has been given secret evidence strongly suggesting that the plan to divert money from Iran to the Nicaraguan Contras was first put forward by Shimon Peres.

BERNAED INGHAM

MINISTERS (UK VISITS, SPEECHES ETC)

DES: Mr Baker receives visit from Gown Wood Primary School pupils

DTI: Mr Channon opens Design Council's Design Review Exhibition

DEM: Mr Lee visits Jaguar Cars, Coventry and later visits the Boat Show, Earls Court

DHSS: Mr Patten meets building society representatives to discuss council housing

TV AND RADIO

"Parent Programme"; BBC 1 (09.45): Three years ago the DHSS put £6 million into new projects for the under-5s. The programme examines how many will survive when the funding stops in March

"World in Action"; ITV (20.30): Second of three programmes examining life through the eyes of three different families - the Earl of Aylesford's estate, an ambitious middle-manager and a couple with eight children

"Panorama"; BBC 1 (21.30): President Reagan's strategic defence initiative