

22 January 1987

PRIME MINISTER

MAIN EVENTS

Prime Minister meets Mr Shimon Peres, Israeli Minister

The Princess of Wales visits St John's Community Day Care Centre, St John's Crescent, London

M. Delors visits Paris (to 24 January)

Chief Constable Anderton and the Manchester Police Authority meet officials from the Home Office

Miss Anne Mueller, Permanent Secretary, MPO, speaks to Institute of Personnel Management on equal opportunities in the Civil Service

Society of Education Officers Conference at Royal Overseas League, London (to 23 January)

?DHSS announcement on death grants and maternity grants

STATISTICS

Preliminary estimates of consumers' expenditure (4th qtr-prov)

PUBLICATIONS

DTI: Regulatory Arrangements at Lloyds. Report of Committee of Inquiry.

HO: Parliamentary Boundary Commission Interim Review of 55 Constituencies

PAY

Local Authority Building Trade Operatives; 68,900.

Primary and secondary school teachers in England and Wales; 453,000.

PARLIAMENT

Commons

Questions: Agriculture, Fisheries and Food; Prime Minister

Business: There will be a debate on the Royal Air Force on a Motion for the adjournment of the house

Adjournment Debate

The application of section 68 of the Education Act 1944 to language training at Cotton Hills School, Wolverhampton (Mr N Budgen)

Select Committees: COMMITTEE ON A PRIVATE BILL
South Yorkshire Light Rail Transit

PARLIAMENT (Cont'd)

Lords: Broadcasting Bill (HL): Committee
 Criminal Justice (Scotland) Bill (HL): Committee
 Welfare of Livestock (Prohibited Operations)(Amendment)
 Regulations 1986
 UQ to ask HMG what is their attitude to the report by the
 Prayer Book Society entitled Theological Colleges and the
 Book of Common Prayer: A Survey

MINISTERS - See AnnexPRESS DIGESTTHE MAIN STORIES TODAY ARE:

- Independent says South Africa is trying to secure use of Isle of Man freeport to overcome boycott of its goods.
- Gerald Ronson returns £5m to Guinness which he got for helping take-over of Distillers; says it did not cross his mind people of such eminence would be asking him to do something improper.
- Star says President Reagan has ordered a review after the case of the American diplomat's husband who escaped court on gross indecency charge with 6 year old girl; American concerned says the allegations against him are not true.
- Bus driver to appear in court charged with knife attack on 10 year old girl in Kent.
- Chief Constable Anderton is not to accompany Duchess of Gloucester in Manchester to avoid embarrassment; he sees Home Office officials today.
- Court allegation that Broadwater Farm riot mob tried to chop off Constable Blakelock's head and mount it on a pole.
- Conservatives have a 5 point lead (42/37/19), according to NOP.
- Union leaders order almost all B/Telecom engineers to strike; 35,000 clerical workers vote to walk out next week; claim that unions abroad will help them pull the plug on the City. TUC one of first victims.
- School masters in Scotland vote overwhelmingly to accept pay deal.
- Threat of a water crisis in London today; some Thames Water reservoirs empty because of burst pipes.

CITY

- Maximum prison sentence for insider dealing to be raised to 7 years.
- Star says that it is not just a case of a handful of pin-striped spivs bending the rules to make a quick buck; if the City is not seen to be clean, nobody's money will be as safe as it should be. All credit to the Government for insisting on a quick and comprehensive investigation.
- Mirror City editor says Guinness scandal will rock world of finance like nothing since South Sea bubble.
- Today says Paul Channon has issued an ultimatum to his 3 Ministers of State - shut up or be sacked; is "extremely angry at leaks they were upset at not being consulted over BTR/Pilkington".
- Times: Gerald Ronson says he agreed to a potentially illegal share deal with Ernest Saunders.
- FT: Mr Channon yesterday rebuked his fellow ministers, asserted his authority and emphasised his intention to take the lead in the Government campaign to stamp out abuse in the City.
- Independent: Speculation in City that Burton Group will be next to be unveiled by DTI inspectors. Channon rebukes three ministers for dissent over BTR/Pilkington. Labour says it will maintain pressure with Opposition day debate next Tuesday.
- Guardian: Heron chief implicates Saunders over share buying. Channon dresses down his juniors. New political row will break today over Neill report on Lloyds. Sedgemore and Skinner break embargo by attacking main recommendations.

POLITICS

- Sun says Tory workers have been told not to take holidays before July.
- Today says you are being given the right to block a meeting between Reagan and Kinnock; Reagan, according to "White House insiders" would never agree to see him if you felt it would damage your election chances; leader says this is a double-edged gift and suggests you are agonising over the choice. But British voters are entitled to this test of mettle.
- Express says "Labour gloom as Tories go 5 points ahead in new poll".
- Mail: Maggie is 5 points ahead; leader on how the Government is keeping its political balance in treacherous climate - cold weather and City scandal. As of now, it says, it is the Socialists not Tories who look to be most in need of sticking plaster.
- Times: The possibility of a June general election is now considered so live that senior ministers are prepared to contemplate shelving the key Criminal Justice Bill.
- A series of "radical and unorthodox" proposals have been put to the Strategy Group, but with the Government riding high in the polls pressure is growing for you to curb the enthusiasm of your colleagues and go for safety first (Times).
- Times; Geoffrey Smith says if the Alliance is to form any partnership in the event of a hung Parliament, it will either have to come to terms with Labour or secure your goodwill. To take its present dismissive attitude towards you in advance is an indulgence it cannot afford.
- You are expected to announce later this month the creation of a new batch of peers. Labour is expected to gain 5.
- Lord Carrington issues a "stark warning" about the effect of Labour policies on NATO.
- Telegraph says Ministers are making contingency plans to jettison Criminal Justice Bill, and central measure in their programme against City corruption, after NOP poll, but tide for Spring election not yet thought to be irresistible.
- Times: Matthew Parris says the Tories are quick off the mark in dealing with problems. It promises to be a very professional general election contest. Labour sees itself doing everything right yet, maddeningly, you stay ahead. They may have to accept that 40% is their high water mark.

LOCAL GOVERNMENT

- Sandwell Council sends 24 pensioners on 3 week holiday in Spain because it is cheaper than rehousing them while their homes are renovated.

AIDS

- Pictures of Norman Fowler on AIDS inspection tour in USA.
- St Thomas's Consultant thinks we have gone too far in stressing that AIDS can strike anyone, regardless of their sexuality.
- Times: Computer-based advice systems that could help GPs in the fight against AIDS are being starved of cash, says the North Warwickshire Health Authority.
- Beds. doctor who advocated condoms in schools has been suspended on full pay, pending inquiry.
- Telegraph leader hopes Norman Fowler will bring back from USA radical ideas, involving voluntary sector, in bearing the growing medical burden.
- Independent: Private members bill understood to have excellent chance of gaining 2nd reading tomorrow.

HEALTH/WELFARE

- Mirror continues its feature on "cuts" affecting St James's Hospital, Leeds.
- Frank Chapple, in Mail, finds it distasteful to see Meacher "suddenly discovering the elderly and disabled when there's snow on the ground and frost in the air".

EDUCATION

- Tiffin Girls Grammar School, Kingston on Thames, which Alliance and Labour are trying to close, sends 90% of pupils to university and is praised by inspectors (Express).
- Times: Only one secondary head teacher in five thinks that the introduction of computers into schools had made a significant contribution to teaching, according to a DES survey.
- Faulty homework by DES officials is forcing the Government to look again at the pay package it is threatening to impose on teachers.

ECONOMY

- Patrick Minford. in Telegraph, says we are enjoying a steady economic recovery - the reward for a well-conceived economic strategy pursued ceaselessly for 7 testing years.
- Times: 'Fever mounts for cuts in interest rates'. Cuts in Japanese and West German rates are thought to be imminent.
- Times: Pay deals in manufacturing industry have moved below 5%, Sir Terence Beckett said yesterday.

INDUSTRY

- Labour Party pledges to fight plans for Brown and Root-led consortium to manage Devonport dockyard.
- Christopher Monckton takes a page in Today to explain "how the Navy sank a British genius" who invented the short fat ship.
- FT: TI is selling its Raliegth subsidiary to a US-led corporation for £18m.
- Ford expects to expand capacity at its car plants in Britain by over 20% after 1989, creating 1,000 extra jobs.
- Times: The Prince of Wales is to play a leading role in a campaign to boost the selling power of small businesses.
- FT: The Government's campaign for better design is likely to be expanded later this year by several new initiatives.
- Investors put a record £5.2bn into unit trusts last year - double the 1985 amount.
- FT: New studies by Eurotunnel show a better rate of return than previously forecast.
- Shipbuilding unions have agreed a radical flexibility deal.
- Managers join a sit-in at Caterpillar.
- FT: The Government's decision on Sizewell is expected in the next 2-3 weeks. Peter Walker is likely to agree that work on the PWR should start before the next election. You are keen to go ahead.
- Independent: Chief Inspector of Nuclear Installations tells Commons Energy Select Committee that the inspectorate is understaffed and facing recruitment difficulties.
- Guardian commenting on offer of more inducements to Caterpillar, says Government pays homage to market forces (BTR) only when it suits. It could be argued that a national upsurge against market forces won the day.

TV LICENCES

- Labour Party promise free TV licences if they win next election. Kaufman contrasts Government's killing off Private Member's Bill with 13 free TV sets in No 10.

MEDIA

- Thames TV in link up with Russian State TV channel for live chat show, coinciding with first anniversary of Chernobyl.
- Times: The Russian language service of the BBC was heard clearly across the Soviet Union yesterday for the first time in more than six years. The end of jamming is seen as a gesture to you.
- Times: Duncan Campbell says a videotape copy of the banned BBC film which claims to expose a secret £500m government spy satellite project will be shown to MPs at 3.45pm today in Committee Room 6. Journalists will be excluded.
- Independent: Soviets halt jamming of BBC.
- Independent: Sir Michael Favers stops MPs from seeing banned BBC film on secret defence project.

SUNDAY 'TRADING'

- Star backs Jockey Club's efforts to introduce Sunday racing; TGWU opposes it.

LAW AND ORDER

- Stuart Holland MP asks Home Secretary if cleared police inspector, Lovelock, had been drinking prior to raid on Groce home in Brixton.
- 14 football fans arrested in dawn raids in court charged with conspiring to cause an affray.
- Mirror leader wants to know why a dangerous gangster 'sprung' by 6 men on his arrival at Wandsworth town hall from jail for his wedding, was let out to marry and why he was allowed to travel in a mini-cab. Home Office should order that in future no dangerous criminal is allowed to marry and anyone allowed out for humanitarian reasons is safely escorted. News story says the jury who convicted the man is under police guard.
- Times: The Home Affairs Select Committee is calling for urgent action to help Bangladeshis in Britain - the most disadvantaged of all ethnic minorities.

ANDERTON

- Sun in full page leader headed "He speaks no evil" says his first 'offence' is to speak the truth; the second is that he tries to put his Christian beliefs into practice. If he is hounded out of his job future generations may well conclude Britain of 1987 was a strange land.
- Express leader says the most important criterion for assessing his fitness for his job is competence. There is little evidence to suggest he is failing to meet it. He shares with other police chiefs a whole-hearted desire to combat crime which is controversial to many Labour politicians. That is why they seek to bring the police under their control. That is why it must not happen.
- Guardian says it is important for policing in this country that Anderton is taken down a peg or two but for the right reasons and his remarks on AIDS hardly come into that category. There are plenty of other good reasons available for disciplining him.

PEOPLE

- Sun news story on the mystery of Denzil Davies "illness" which prevented his appearance to ask a question; Labour MPs say he made "a grave error of judgement".
- Lord Avebury leaves his body to Battersea Dogs Home.

DIPLOMATIC IMMUNITY

- Today says it is outrageous an American should have escaped prosecution for sexual offence for no better reason than his wife enjoyed diplomatic immunity. He must be brought back, tried and punished; Today news story says CIA may have stopped man being prosecuted.
- Mail says Ambassador Charles Price refused to intervene yesterday. Foreign Secretary has put the seriousness of the issue to Shultz.
- Times: You are understood to be furious that the Americans refused to waive diplomatic immunity over the sexual offence against a young girl by the husband of a US Embassy official.
- Independent: Demands grow for changes in law as details of case involving US diplomat's husband emerge; leader says that State Department's refusal to waive immunity in this case was an insult to this country, its police and its courts. It would have been a salutary lesson for the US if Sir Geoffrey had not remained silent but had informed Parliament and the public about the whole affair.

US

- Times: President Reagan will discuss what he knows about the Iran arms deal with a special investigating panel next Monday.
- FT: US inflation rate in 1986 was 1.1%.

SOUTH AFRICA

- 12 blacks, including 7 children, die when gunmen burst into a house in township.

LEBANON

- Another hostage, a West German, seized as Waite tries to secure release of 6 Americans.
- Independent: Hopes rise for release of Beirut hostages as Terry Waite goes to see them in secret hide-out.

IRELAND

- Haughey 5-1 on to win general election.

EC

- The first supplies from the EEC's butter mountain were released yesterday as part of the plan to use surpluses to help the old and needy.
- FT: Sir Henry Plumb celebrated his election as President with a strong attack on US behaviour over trade.

MIDDLE EAST

- Express says Peres will today ask for your help in search for peace.
- FT: Peres said last night Israel had no vested interest in either Iran or Iraq winning the war.
- Times: Peres said London could now play a very important role in the continuation of the peace process, although new ideas were hard to come by; leader says you will want more time until your political future is secured, and time is what Peres does not have.

[NB: Play which claims Zionists in Hungary collaborated with Nazis cancelled in London after Jewish pressure; written by Trot.]

MINISTERS (UK VISITS, SPEECHES ETC)

- DEM: Mr Clarke makes inner-city visit to North Kensington, including reception at Canalot Production Studios
- FCO: Sir Geoffrey Howe addresses Middle East Association
- HMT: Mr Lawson addresses the Hertfordshire North Conservative Group
- HMT: Mr MacGregor addresses the Consumer Goods Study Group
- CO: Mr Luce visits Sheffield (to 23 January)
- DHSS: Mr Newton speaks at Health Care Conference and later attends hospital medical staffing meeting, Guy's Hospital
- DHSS: Mr Major visits Disabled Living Foundation, Harrow Road, London
- DOE: Mr Waldegrave addresses CBI conference in London on waste disposal
- DOE: Mr Tracey speaks to Regional Council for Sport and Recreation Chairmen in Liverpool
- DTI: Mr Butcher chairs Waste Paper Commitment Conference, London (recycling)
- DTI: Mr Pattie opens Space Station conference at the Royal Society
- DTP: Mr Bottomley addresses the Institution of Civil Engineers/ Institution of Highways and Transportation conference on assessment studies, ICE, Great George Street, London
- DTP: Lord Brabazon attends lunch at the Institute of Freight Forwarders, Pall Mall

TV AND RADIO

"An Ever Closer Union"; BBC Radio 4 (19.40): First of a series which offers a perspective of the European Community through portraits of Britain's fellow members. This week profiles France

"Opinions: The Red Flag"; Channel 4 (20.00): Robin Blackburn, editor of the New Left Review, argues that "to avoid further economic recession and greater human misery, Britain should embark on a new course that will lead to a fairer division of wealth - both for individuals and regions - where everyone will be able to put their talents to good use. There will be greater accountability and consultation between those who run the country and those in whose name it is run"

"This Week"; ITV (21.30): With Jonathan Dimbleby

"Question Time"; BBC1 (22.00): Sue Lawley with Lady Grimond, Roy Hattersley MP, Dennis Potter and William Waldegrave MP

"Advice Shop"; BBC1 (09.45): Margo MacDonald looks at what the Jobclub and Jobstart schemes can offer unemployed people

"Woman's Hour"; BBC Radio 4 (14.00): Sonia Beesley with some of the Conservative Party's new women prospective parliamentary candidates who are already nursing their constituencies in anticipation of the next General Election
