

PRIME MINISTER

MAIN EVENTS

EC/US talks in Washington on trade war

Northern Ireland: unofficial referendum result on future of Anglo-Irish Agreement

Prime Minister interviewed by IRN

PARLIAMENT

Commons

Business: Private Members Bills
Agricultural Training Board Bill: Second Reading
AIDS (Control) etc Bill: Second Reading
Unborn Children (Protection) Bill: Second Reading

Adjournment Debate
The Arts Council Budget 1987/88 (Mr T Banks)

MINISTERS - See Annex

PRESS DIGEST

MAIN ISSUES TODAY:

- Spy satellite secrets row.
- Argyll announces "friendly merger" proposal with Guinness which Guinness rejects; Lord Spens of Ausbacher, latest casualty of affair; network of Guinness share dealing during takeover battle disclosed.
- Fears that an all-out B/Telecom strike, threatened from Monday, could cripple City; Labour Party HQ cut off.
- Palace furious over leak of Prince Philip's letter to Royal Marines Commandant over Prince Edward's decision to quit.
- Chief Constable Anderton (supported by Sir Eldon Griffiths) leaves Home Office without comment; has he been silenced? More talks next week.
- Gallup gives Labour 5% lead. (39.5/34.5/23.5), but 63% think Conservatives will win next election.
- Terry Waite still believed to be negotiating for release of hostages, though-he hasn't been seen for 2 days.
- Express on Lord Avebury's desire to become a (Battersea) Dog's (Home) breakfast, says Liberals have been going to the dogs for years.

SPY SATELLITE

- Most newspapers confine their coverage to factual reporting, without much reference to nature of satellite system.
- Criticism of Government's handling, especially in Times.
- Telegraph alone in not offering assurances about its future handling of story.
- Labour MPs watched the BBC film in spite of Commons ban.
- Star under heading "A secrets obsession" says the simplest solution to this increasingly silly business would be to allow the Defence Select Committee to view the film.
- Mirror: Kinnock blasts Tories for leak.
- Today: "Spy making" film panic turns to farce.
- Sun: MPs locked out of spy film show.
- Express: Cabinet rushes to keep lid on spy in the sky secret; now that secret is out, project may have to be cancelled.
- Mail: Havers accused in row over spy-in-space leak of acting too late.
- Times: 'MPs in storm as spy satellite film is banned; leader says if there was the slightest chance that vital security considerations are involved the behaviour of the security authorities has been negligent and the competence of the Government nugatory. The statesmanship shown by Kinnock after his interview with the Foreign Secretary was a dangerous sign for the Government, if a welcome feature for the country as a whole.
- Frank Johnson says the row will have a long run.
- Telegraph P1 lead: A day of unprecedented legal and constitutional drama. PAC says Parliament has not been deceived.
- Independent: Kinnock attack on spy leak. Satellite's role is explained, with diagram, inside. Best proof of truth of 'New Statesman's' allegations is affidavit from Sir Peter Marychurch, director of GCHQ, given in order to obtain injunction.
- Telegraph leader headed "Muddled secrets" says Campbell takes it upon himself to decide where the national interest lies. It may not be excessive to describe him as a national mischief maker. The Telegraph strongly supports the concept of defence secrecy and opposes action of Campbell. But it would be perverse to accept the Treasury Solicitor's request not to give further publicity to the material revealed when the request has been made only after the Soviet Embassy has collected its souvenir edition of the New Statesman.
- Guardian prints an account of the BBC film, and another story looks at the capabilities of the satellite.
- Guardian: Ministers fail to quell spy satellite row. Kinnock alleges "incompetence" over disclosures. Leader says Government's attempts to suppress Campbell's investigations are deeply suspect and should be opposed. Central thrust of film and New Statesman article is that Parliament has been deceived.
- FT: Government embroiled in rapidly escalating row to prevent disclosure of its 'spy' satellite plans.

POLITICS

- Express on inexorable drift Left of Labour says candidate for Woking, in New Statesman today, says if you win the election with fewer votes than Labour, Labour will have the moral authority to bring Government down by extra-Parliamentary action. Is Mr Kinnock comfortable with this view?
- Times: The Alliance is to join the Labour Party in voting against any tax cuts introduced by the Chancellor in the Budget.
- Geoffrie Smith assesses your style and why you are liked and disliked. He says that you have qualities which are most likely to be appreciated in times of crisis. In choosing a Prime Minister the voters are not selecting their ideal companion for afternoon tea. You have been tested in office and your stock is rising as a general election approaches.
- The Liberals are secretly planning to outflank Labour by assiduous wooing of the minority groups on whose support Labour has always counted.
- The Bishop of Liverpool insisted yesterday that the North-South divide was "true, felt and very damaging".
- Labour plans a department of rural affairs, embracing MAFF and DOE.
- David Watt, in Times, says it is nonsense to hold the Government responsible for the materialism of Western society, but it can be accused in its obsession with economic competition to ensure certain "unencashable" essentials in a healthy society - fraternity, the idea of public service and learning for learning's sake.
- Independent: Tebbit touts for Tory votes with 'junk mail' letters to one million investors warning of dangers of a Labour win.
- Independent: Profile of Mr Tebbit by political editor, Anthony Bevins, reveals the warm heart inside his armour.
- Independent: Audit Commission report, "leaked to The Independent, says the local government inefficiency has intensified dereliction in parts of London.
- FT: Article by Malcolm Rutherford argues that the manifesto for a Tory third term is not ready and the signs indicate an election not before October. Amongst those who think there is no need for urgency is Mr Cecil Parkinson who got it right last time.

CITY

- Today leader headed "Fun up for City slickers" says the Government has a wholly unrealistic view of the City which it thinks is peopled entirely by ladies and gentlemen of the old school.
- Sun leader hopes that if Gerald Fonson has broken the law he will be held to account; he must have known the money he originally pocketed came from shareholders. Some only little people. . Would he disagree that this was sheer grasping, grinding greed?
- Express feature says Fonson is experienced in City ways. Otherwise he would not have been so successful. That is why his protests of innocence seem so surprising. Charles Moore says your beliefs run more strongly against City shenanigans than those of any Prime Minister this century.
- Times: Berisford, the company which owns British Sugar, wrote to Guinness last night, offering to repay £1.4m; Guinness shares soared after the company rejected the offer of a merger with the Argyll Group.
- Mail devotes 3 pages to the secret life of Ernest Saunders.
- Telegraph says firm of lawyers headed by Guinness director who resigned last week (Ward) appears to be biggest single recipient of mystery payments. Leader says time must be given for the Financial Services Act to demonstrate its workings. Michael Howard has so far shown a cool head and there seems every reason to place continued faith in his judgement.
- Guardian: Lloyds to put house in order by report.
- Guardian leader says Government has been fleet of foot in recent weeks in responding to charged political circumstances. It should now turn SIB into statutory system.
- FT: Lloyds gets a year to reform or faces legislation. Mr Channon welcomes Neill Report as a good basis for further development to protect members' interests. Full inside page gives detailed analysis of recommendations.
- Leader claims report is double-edged - complimentary to Council on the one hand and then alleging great shortcomings in conduct which have made it impossible for anyone to have total confidence in the institution. Overall the proposed changes deserve support, but it is unlikely they will be sufficient alone. In particular, something more needs to be done to bolster the independence of the chief executive.

INDUSTRY

- Root workers have now won a 39 hour week and 5 weeks holiday.
- Freeze-up has cost 14m working days, according Sun.
- Government is losing £1.6bn a year as a result of under-taxing company cars, according to the London Centre for Transport Planning.
- Rolls Royce is expected to fetch £1.2bn when it is privatised at the end of April.
- Judge rules High Court has no power to wind up Tin Council.
- Independent: CBI calls for Government action over disposal of hazardous waste.
- Independent: Advisory Committee on Irradiated and Novel Foods recommends change in law to allow irradiation.
- FT: Government accepts the need for early decision on Sizewell.
- FT: A pressure group representing Britain's forestry industry has criticised an NAO report for being too narrow and short-sighted in not seeing the job potential in an emerging industry.
- FT: Caterpilllar sit-in staff may resume production without management.

DIPLOMATIC IMMUNITY

- Independent: More details of alleged criminals who have sheltered behind diplomatic immunity due to be revealed this morning by American writer Chuck Ashman.

UNIONS

- Today feature says a year on and Murdoch's Wapping victory is 'almost total'.
- Charles Moore, editor of Spectator, starts new page feature in Express.
- Mail feature says the theory that worker shareholders won't take industrial action to damage their stake seems to have been irrelevant in B/Telecom. But there has been a grotesque management failure and men believe they want to make Saturday an ordinary working day.

MEDIA

- Joe Haines claims that for the BBC to put on your experiments in prime time in election year shows that Norman Tebbit's campaign against BBC has succeeded.
- High Court rules that orders committing David English (Mail) and Christopher Oakley (Liverpool Echo) can be sought by Attorney General for contempt.
- Guardian says Japanese are introducing something similar to Official Secrets Act.

TV LICENCES

- Star covers the allegations in Commons. Prints B. Ingham's denial. David Stevens says allegation is totally unfounded and I haven't spoken to him for months; leader says Peter Snape abused his Parliamentary privilege to make a totally unfounded allegation about Downing Street attempts to influence it. He will shrink from your challenge because he has no evidence.
- Express: Maggie denies rebuke claim and prints B. Ingham and D. Stevens' denials.

ANDERTON

- Sir Eldon Griffiths says Anderton is one of the best Chief Constables in the business and the Home Office is in danger of falling into the trap laid by Loony Lefties.
- Star says it looks as if he has been finally gagged after meeting at Home Office.
- Sun: And the Home Office said to Anderton: Thow Must belt up. Read the 11th Commandment.
- Times: Home Office officials yesterday warned James Anderton that he must stop making controversial statements or risk disciplinary action.
- Telegraph says Anderton's future is to be discussed again next week.

PRINCE EDWARD

- Letter by Prince Philip to Commandant General, Royal Marines, over Prince Edward's decision to quit leaked and printed.

NHS

- Mirror reports resignation of 7 nurses from Gloucester hospital in protest over strip tease treatment of 17 year old boy with sexual identity problem.
- Mirror leader claims it has always published the truth - not half truths, lies and distortions alleged by Ministers - about effect of spending cuts on NHS. Why has Government no pride, no shame and no concern for the sick?
- Medical staff have been told to stop reducing waiting lists at Bath because they are wasting too much money.
- FT Special 4-page feature on private health care.

AIDS

- Mail leader commends Norman Fowler's conduct on his visit to USA, but says it is a matter of responsible medical debate whether the authorities may not be exaggerating the risk to heterosexuals. Mr Fowler's pilgrimage to USA should strengthen his resolve to tell us who are not at risk.
- Times: A possible treatment for AIDS with donated blood has been successfully used on four patients at Addenbrookes' Hospital, Cambridge.

EDUCATION

- Teachers in some inner city schools are encouraging children not to join the Government's youth training scheme, according to Lord Young.
- Uproar at Haringey rally protesting at council's policy of giving children lessons on homosexuality.
- ILEA boarding school in Suffolk to close because it costs more to run per pupil than Eton.

FRANCE

- British student attacked on holiday in France sees French fisherman who raped her jailed for 5 years, 2 of which suspended.

SOUTH AFRICA

- Independent: Isle of Man government admits to talks with South Africa over the Island's freeport but says there was "no continuing contact".

PHILIPPINES

- 12 killed, 94 injured as troops open fire on demonstrators.

USA

- Times: In an extraordinary disclosure, George Shultz has testified that he had to go to President Reagan last month to ask him to halt a new attempt by the CIA to swap arms for hostages.
- Independent: Richard Perle is ready to resign, probably by April, in order to make more money.

WEST GERMANY cuts interest rates by 0.5%.

MINISTERS (UK VISITS, SPEECHES ETC)

- DEM: Lord Young at Action for Jobs Breakfast, York; later speaks to York Archaeological Trust Businessmen's lunch
- DES: Mr Baker addresses Society of Education Officers conference, London
- DTI: Mr Channon speaks at Centre for Policy Studies Conference on Industrial Policy
- DTP: Mr Moore inaugurates pipeline for Esso, Southampton
- HMT: Mr MacGregor addresses the University of East Anglia Conservative Association and later opens a new training centre in Norwich
- MAFF: Mr Jopling meets with Country Landowners Association, Selby
- WO: Mr Edwards addresses Cardiff North and Central Business Club lunch, Cardiff
- DHSS: Mrs Currie visits Nuffield Hospital, Edgbaston, Birmingham
- DOE: Mr Waldegrave speaks to National Farmers Union in Suffolk
- DTI: Mr Butcher launches DTI's "Watch your Waste" video, West Midlands (recycling)
- DTP: Mr More attends inauguration of pipeline for ESSO, Southampton
- MAFF: Mr Gummer visits sugar beet factory, Suffolk
- MAFF: Lord Belstead meets with Ipswich and Suffolk Industrial Advisory Council
- MOD: Lord Trefgarne visits MEL, Crawley
- SO: Lord Glenarthur meets officials of Age Concern, Edinburgh

MINISTERS (OVERSEAS VISITS)

- FCO: Lady Young departs Trinidad and Tobago for Antigua and Barbuda; later departs for the Commonwealth of Dominica (to 24 January)
-

TV AND RADIO

"What's Your House Worth?"; BBC2 (14.15): A Panorama report - Jenny Penycate asks where the spiral of house prices and domestic debt is leading and looks at the North/South divide and the plight of those too poor to climb, or to stay, on the home-ownership bandwagon

"Ebony"; BBC2 (19.30): Examines the cultural boycott of South Africa, as British and American musicians are increasingly responding to calls to isolate the apartheid regime

"A Week in Politics"; Channel 4 (20.15): Nick Ross and Sue Cameron present a report on the safety, economics and politics of civil nuclear power here and abroad

"Any Questions?"; BBC Radio 4 (20.20): John Timpson with Michael Spicer MP; John Pardoe, Managing Director of Sight and Sound Education; Mary Goldring, journalist and Lord Soper

Transport Minister Mr Bottomley interviewed by Capital Radio on the closure of Marylebone Flyover, Marsham Street.
