

2 February 1987

PRIME MINISTER

MAIN EVENTS

ECGD announces credit and finance agreement for UK firms exporting to USSR

UN Commission on Narcotics Drugs, Vienna

Douglas Smith takes up appointment as chairman of ACAS

ESAC: Prison education

Action for Jobs exhibition, Upper Waiting Hall, House of Commons (to 6 February)

Philippines referendum on new constitution

PAY

Full Burnham management panel meeting on teachers' pay

Primary and secondary school teachers in England and Wales; 753,000

PARLIAMENT

Commons

Questions: Transport; Wales; Energy

Business: There will be a debate on the Royal Navy on a Motion for the Adjournment of the House.

Adjournment Debate

School building in Lancashire (Mr P Pike)

Select Committees: EDUCATION, SCIENCE AND ARTS

Subject: Prison Education

Witnesses: Mr I Dunbar and Mr J Sandy, Regional Directors of the Prison Service

TREASURY AND CIVIL SERVICE

Subject: The Government's Expenditure Plans 1987-88 to 1989-90

Witnesses: Chief Secretary to the Treasury and officials

Lords Animals (Scotland) Bill: Third Reading

Broadcasting Bill: Third Reading

Debate to call attention to the continuing problems of the inner cities and other urban priority areas and to the case for a partnership between authority and people who live and work in them

MINISTERS - See Annex

PRESS DIGESTMAIN NEWS

- Militia leaders in Lebanon involved in search for Terry Waite who was warned by FCO of the dangers of a return trip.
- Meanwhile American journalist seized in Iran.
- Shultz says America should be ready to use force against hostage takers.
- Row over Special Branch raid - and 3 warrants - on BBC; Kaufman: "a menace to civil liberties. Today says the row might be explained by the fact that Zircon is to be part of a control system for Trident missiles.
- SDP/Lib Alliance presented as split over possibility of coalition with you and on defence and economic policy.
- Secret talks between B/Telecom and union to try to settle strike.
- Firemen at all major British airports said to be ready to act in support of striking 52 at Manchester.
- Threats of more revenge killings after INLA murder McGlinchey's wife in her home in Republic.
- Policeman killed when mountain rescue helicopter crashes on Ben More, Scotland.
- Sellafield out of action for up to a fortnight because of internal leak.
- 5G held in police swoops after investigation into international calls fraud in British Telecom.

ZIRCON/BBC

- Today, referring to raids, says it seems that after failing through sheer incompetence, the authorities have embarked on a spree of vindictive revenge, with police actively veering between farcical and sinister. The Government is in danger of making as big a fool of itself over Zircon as it did over Wright.
- Mirror says if the Zircon disclosure was damaging to security the Government was incompetent not to have stopped it months ago. If it wasn't, it is now arrogantly misusing police powers. Your anger cannot justify raiding Campbell's home and offices of New Statesman and BBC.
- Mail leader says broadcasting Britain's defence secrets to the world is not a good idea. You don't approve and nor, it suspects, do most people in this country. Even so, Special Branch ransacking of the BBC was "galumphingly heavy footed".
- Telegraph leads with Government plunged into fresh political controversy because of Special Branch raids; Opposition will demand a full explanation. Tory MPs and Ministers voicing concern at heavy-handed tactics of Special Branch.
- Times: Dr David Owen yesterday condemned the Special Branch raid on the BBC's Scottish offices. He urged the BBC to use all its resources to fight. Alan Protheroe, BBC, conceded that the battle over the legality of the seizure warrants has been lost, but the BBC would see if there was a constitutional and fine legal point to be argued under Section 2 of the Official Secrets Act.
- The future of the Zircon project is in the balance as a result of the disclosures about its existence (Times).
- BBC to seek legal advice about raid on Glasgow headquarters; a total of more than 300 people have now seen the Zircon documentary (FT).
- Government will not obstruct Private Members Bill aimed at incorporating the European Convention on Human Rights into British law despite official opposition to the measure. The SDP will seek to use it to reinforce the controversy over the showing of the Zircon documentary.
- Independent: Home Secretary will be pressed for a statement this afternoon on the Special Branch raid of BBC offices in Glasgow. Leader says the Government's obsession with secrecy has turned the project from a desirable military asset into a political scandal.
- Guardian: Opposition furious as BBC office is stripped of all film scripts; leader says the police operation was disgraceful, to seek revenge on Campbell and those who gave him space.
- Meanwhil . BBC's news coverage of Libyan bombing criticised by Norman Tebbit is being put forward for Royal Television Society Award.

SDP/LIBS

- Star says Steel and Owen clashed on TV yesterday over whether they could work with you in coalition. Steel - almost impossible; Owen - that's going too far.
- Sun: Steel's gone too far, says Owen; they fell out on TV, making nonsense of their united front.
- Today: Alliance splits over coalition plans; Owen and Steel clash on deal with Thatcher and Jenkins admits to certain "differences of style" with Owen on economy. Meanwhile Simon Hughes reopens divisions over defence policy.
- Mirror: Two Davids in TV tiff.
- Express: Two Davids reveal the big divide - Steel and Owen differ on power deal with Maggie.
- Mail leader says within hours of their unity jamboree the Alliance trumpet was again blowing that uncertain sound. Owen would prefer to shack up with the Tories; Steel would be more comfortable with Socialism.
- Telegraph: Alliance chiefs clash on Thatcher coalition role.
- A slight chink in the unity of the Alliance crept into the open yesterday when the two leaders disagreed over your role in the event of a hung Parliament. Dr Owen reprimanded Mr Steel for saying it would be almost impossible for them to work with you (Times).
- The Alliance launched its election campaign on Saturday by saying it stood for "the public interest"; Geoffrey Smith, in Times, says the launch turned out to be rather more significant than he expected. But it needs more than protest votes to win; John Pardoe has embarrassed the Alliance by saying he agrees with you that Socialism needs to be eradicated.
- The Alliance paraded its election scheme like so many bashful Miss World contestants with slick presentation blurring any points of discord. Only in subsequent television interviews did the cracks show on defence and the attitude between Owen and Steel on coalition Government (FT).
- FT says John Ryman's decision to stand as an independent at the next election makes the outcome uncertain because of the only slight lead he had over the Alliance candidate last time.
- Guardian says the Alliance would support a Government in a hung Parliament only if a fixed term agreement could be negotiated; leader says without an Alliance revival your hattrick will be hard to stop.

POLITICS

- Sun feature on why Kinnock fears Dierdre Wood, hard Left candidate selected for Greenwich - considers the record of Dreadful Deirdre.
- Today leader reports a smile on the faces of the Tory and Alliance candidates at Greenwich for Labour has again shot itself in the foot.
- Mail 2 page feature on the victory of a woman Kinnock didn't want; and the soft centre private life, in £150,000 house, of Mr and Mrs Hard Left (Wood).
- Express leader says Mrs Wood recently suggested private hospital patients might be starved. What a disaster for poor Neil Kinnock; features on two anti-Tory rallies - Greenwich selection conference and Lib/SDP relaunch - "which made Mrs Thatcher look safer than ever".
- Telegraph says SDP and Tories are happy with Hard Left opponent and that Labour faithful may switch sides; leader links coincidence of Mrs Wood's selection with John Ryman's resignation. They cannot fail to remind voters of the very things Kinnock would prefer them to forget.
- The selection of Mrs Deirdre Wood had her political opponents rubbing their hands with glee (Times). Times leader says Wood is a harbinger of the shift to the Left which will substantially change the Parliamentary Labour Party after the next election, irrespective of the overall result.
- The Labour selection of Mrs Deirdre Wood to stand in Greenwich could result in a more open and vigorous contest for the seat (FT)

- Independent: Archbishop of Canterbury and two Bishops will support Lord Scarman in his motion on the inner cities today.
- Independent: The paper's own poll of polls gives Conservatives a 2.3 point lead over Labour.

- John Ryman to fight Blyth Valley as Independent at next election, having resigned from Labour Party.
- Mail feature on "the very human face of Norman Tebbit".
- Jon Akass, in Express, says for some reason Left wingers are remarkably stupid at running any enterprise other than revolution.
- Times: Britain is now divided into three nations, not two, with the key battleground in the Midlands, according to a MORI poll. Labour has control over the north and Scotland while the Conservatives hold the south, but the Midlands is no-man's land.

TERRY WAITE

- Star leader says there are some very serious questions about his latest mission and the Archbishop of Canterbury should answer them. Was he agent for American business cowboys trying to bring the release of hostages? And was the Archbishop aware of FCO's advice?
- Sun says if Archbishop knew that the FCO warned Waite against returning to Beirut, why did he not order him to stay at home?
- Express under heading "Waite and the warnings that were ignored" says the West is being drawn into a dangerous hostage crisis and the stakes are getting higher by the day. The catalyst is Terry Waite. Was it wise of his mentors at Lambeth Palace to allow him to go to Lebanon again? What price will have been placed on the head of the West's most charismatic moral crusader? It is a question which will test to the limits our determination not to trade with terror.
- Mail: Message from No 10 - no negotiations; no ransom.
- Telegraph says Dr Runcie must bear a large part of the responsibility for the present nightmare. When Lambeth Palace sets its own judgement on the niceties of diplomacy above that of professionals, lives can be unnecessarily endangered.
- Guardian says the Government, in seeking to prevent political damage from Waite's disappearance, has emphasised Waite went back against its urgent advice.
- Times: Secret negotiations over his return are stalemated and fears are growing that he will not be able to return to England for many weeks; leader says the safest way now to treat Lebanon is to keep one's distance from it.
- Independent: Secretary Shultz described Beirut as "a plague-infested place from the Middle Ages". Our Ambassador had a second meeting with Jumblatt at the weekend in a further effort to locate Terry Waite.

ALASDAIR MILNE

- Total compensation rumoured to be around £1m.
- Star says BBC job has become too big for one man and should have two - an accountant and an editorial/production man.
- Telegraph says Government would like to see a larger role for Michael Checkland in BBC hierarchy.
- Hugh Carleton Green, ex-DG, says decision to advertise for new DG is "utterly farcical".

ECONOMY

- Express leads with "Britain is booming - outlook rosy as economy picks up." Glowing forecasts from building industry, Chamber of Commerce and CBI.
- Mail: "Now for boom time Britain"; based on similar evidence.
- Mail says Chancellor is under pressure to do something in March budget to stop brain drain because of US tax rates. Telegraph says Chancellor is winning influential Cabinet backing for cutting top tax rate - ie Kenneth Baker.
- Telegraph says American controlled motor manufacturers are switching production back to Britain as the slide in sterling cuts output costs.
- An early sale of part of the Government's stake in BP is essential if the Treasury is to meet its privatisation target for 1987/88.
- Times: The US is attempting to call G5 talks on the dollar crisis.
- Institute of Manpower Report to be published this week forecasts the creation of 1/2 million jobs in the services sector by 1990. (FT).
- Latest OPEC agreement on limiting oil production unlikely to hold. (FT).

INDUSTRY

- Times: David Trippier said last night that the refusal of Britain's pension and insurance companies to invest in small businesses was a national disgrace.
- The executive of the National Communications Union meets today to see if there is enough common ground with BT for talks to begin.
- Austin Rover is understood to have abandoned the £250m replacement for the Metro and will save up to £80m by a substantial face-lift of the existing car.
- The future of Lord Pennock as British joint Chairman of the Channel Tunnel consortium is in doubt because of Bank of England and Whitehall fears about the project (FT).
- Mr Howard's consultative paper on auditing systems brings fears to the accountancy world who believe they may become caught up in the backwash of the Guinness affair (FT).
- FT leader says Washington gunning for a fresh transatlantic dispute over the European Airbus.
- Independent P1 lead: Ministers plan how to rescue Westland. George Younger and Paul Channon discussed last week a rescue plan believed to propose MoD orders for helicopters worth £150m.

MEDIA

- Denzil Davies issuing writ against BBC for "highly defamatory" statements on Jasper Carrott show.
- Telegraph says Government is to step up pressure on BBC to become more efficient by announcing plans for a national independent radio station.
- Independent radio stations given 3 months' notice of withdrawal of recognition of NUJ and ACTT to break deadlock in pay and conditions negotiations.

EDUCATION

- Express says Government is planning "cash for excellence" payments to schools, which will mean headmasters competing for pupils.
- Times: Fears that schools in England and Wales are about to suffer from a renewed campaign of disruption were voiced yesterday by the National Association of Head Teachers.
- Independent: Economic and Social Research Council will withhold new research studentships from 19 universities and four polytechnics because postgraduates are delaying submission of their theses.
- Independent: Four teachers' unions meet today to discuss opposition to imposed settlement of pay and conditions dispute.

HEALTH/WELFARE

- Meacher says more than 10% of beds in English hospitals have been cut in last 6 years.
- Sun ridicules reporting of computer at St George's Medical School, Tooting, to CRE and Equal Opportunities Commission for showing bias against female black students.
- Mail says a New Zealand sex offender, refused a heart swap there, has been flown to Britain for the operation - which will be privately done.
- Telegraph reports that deaths rose by almost 2000 in the week after the freezing weather.
- Times: The Treasury is understood to have accused the DHSS of handing out "warm weather payments" after the department paid an extra £7.5m in payments when temperatures started to rise.

AIDS

- Death of 10 year old boy from AIDS caught through contaminated blood.
- Independent: AIDS could become a major issue in Greenwich by-election as Government figures show the borough has the third highest incidence of the disease in Britain.

LAW AND ORDER

- 50 arrested in fraud investigation of international telephone calls.
- Star says Home Secretary is greatly to restrict carrying of arms by police.
- Illegal immigrant, facing immediate deportation, is on short list for a job with Manchester City Council; opposition councillors demand inquiry into "total irresponsibility".
- MPs reported angry that you have done nothing over allegations that 17 war criminals are hiding in Britain.
- Animal Rights activists firebomb a slaughterhouse in Bucks and warn of new campaign.
- John Golding, B/Telecom union chief, doesn't blame B/Telecom for his 'phones being tapped but you.
- Times: The Home Office may be forced to use more detention centres to cater for the increasing number of refugees seeking political asylum in Britain.
- Times: David Mellor expresses fears of a cocaine "explosion" in Britain.
- Independent: Prison officers call a special delegate conference for February 19 over proposals to overhaul working practices.

DEFENCE

- MPs to ask questions over Sunday newspaper report that Russians have stolen some of our sonar technology.
- Times: MoD yesterday discounted reports that Russians had succeeded in stealing secret equipment being towed behind a British nuclear submarine in the Barents Sea.
- Independent: Submarine warfare expert Corporal John Moore says loss of sonar device towed by HMS Splendid is "a nuisance rather than a disaster".

IRELAND

- Sun, commenting on 400,000 signatures calling for referendum on Anglo-Irish Agreement, says it cannot be ignored by the Government.
- A whiff of defeat hangs over Garret Fitzgerald's election campaign (Times).

FALKLANDS

- Times: New attempts are to be made to reopen air links with Argentina; the indications are that Argentina is unlikely to risk a "squid war" when the fishing conservation zone comes into effect.

PEOPLE

- Jean Rook to report in Express on your Dallas in-laws.

US

- Times: Senior congressmen are to seek access to private notes that President Reagan keeps for his memoirs and which are believed to contain material about the Iran arms deal. Parallels are being drawn with the Nixon tapes.

ROYALS

- Another refit for Britannia could cost extra £3m, rising to £10m.
- Sun claims Queen "raced to lock herself inside Sandringham before a madman could burst in to reach her."

MINISTERS (UK VISITS, SPEECHES ETC)

- DEM: Lord Young and Mr Clarke open Action for Jobs exhibition, House of Commons
- DTI: Mr Channon addresses City Members of ECGD's advisory council, Mansion House, London
- MAFF: Mr Jopling opens International Food Exhibition, Olympia
- SO: Mr Edwards addresses Anglesey Business Group, House of Commons
- DEN: Mr Buchanan-Smith hosts dinner for Sheikh Rasnid, Qatari Minister, Lancaster House, London
- DHSS: Mr Newton visits Northern Regional Health Authority, Gosforth Park Hotel
- DHSS: Mr Major addresses Midlands Life and Pension Society, Birmingham
- DOE: Mr Waldegrave presents prizes in Super Sites competition, Banqueting House, London
- DOE: Mr Tracey visits Preston North End Football Club, Preston
- FCO: Mrs Chalker addresses Euro Business Club, London
- MAFF: Mr Thompson opens Yorkshire stand at the International Food Exhibition, Olympia
- OAL: Mr Luce speaks at heritage reception, Lancaster House, London

MINISTERS (OVERSEAS VISITS)

- DTI: Mr Clark visits Middle East
- MOD: Lord Trefgarne visits Egypt (to 5 February)
- FCO: Mr Patten leads British delegation to the Southern Africa Development Co-ordination Conference, Botswana, later visits Zimbabwe and Mozambique (to 11 February)

TV AND RADIO

Employment Minister, Mr Lee appears on Granada TV's "Under Fire"

"Education Extra"; Channel 4 (18.30): A new weekly magazine series looking at education. Each week the team travel the country to report on the issues that affect teachers, parents, policy makers and learners of all ages

"World in Action"; ITV (20.30): Illiteracy - the difficulties finding employment for people who cannot read or write

"Panorama"; BBC 1 (21.30): 'Irangate' - examines the controversy surrounding the USA arms sale to Iran

"Pete Murray's Nightline"; LBC (23.00): 'Phone-in with the Conservative, Labour and SDP candidates in the forthcoming Parliamentary by-election in Greenwich
