

9 February 1987

PRIME MINISTER

MAIN EVENTS

Prime Minister's reception for the Arts, 10 Downing Street, London

House of Lords report on Teachers Pay and Conditions and Service Bill

EC: Finance Council (ECOFIN), Brussels

EC: Agriculture Council, Brussels (to 10 January)

STATISTICS

DTI: Credit business (Dec)

DTI: Retail sales (Dec - final)

DTI: Producer price index numbers (Jan - prov) nt

PAY

University Manuals; 12,700

PARLIAMENT

Commons

Questions: Wales; Energy; Transport

Business: Private Members' Motions

Mr Michael Brown - The Disposal of Nuclear Waste

Mr Peter Pike - Proposals for Hospital Closures in the Lancashire Area

Mr Sydney Chapman - The National Health Service in England

The Social Fund (Maternity and Funeral Expenses) Bill: Remaining Stages

Prayers relating to the Dockyard Services (Devonport) (Designation and Appointed Day) Order and the Dockyard Services (Rosyth) (Designation and Appointed Day) Order

Adjournment Debate

The proposed re-organisation of education in Sutton (Mr N Macfarlane)

Select Committees: WELSH AFFAIRS

Subject: Rail Services to and in Wales

Witnesses: National Union of Railwaymen; Transport

Salaried Staffs' Association; Associated Society of

Locomotive Engineers and Firemen

FOREIGN AFFAIRS

Subject: Cyprus

Witnesses: Lord Bethell (at 4.30 pm); Lord Willis (at about 5.15 pm)

Select Committees (Cont'd):

PUBLIC ACCOUNTS

Subject: Control and Management of the Defence Estate; Sale of Leeds Ordnance Factory

Witnesses: Sir Clive Whitmore, KCB, CVO, Ministry of Defence, and Sir Gordon Manzie, KCB, Property Services Agency

Lords:

Teachers' Pay and Conditions Bill: Report

Trafford Park Development Corporation (Area and

Constitution) Order 1986: Motion for Approval

Weights and Measures (Carriage of Solid Fuel by Rail) Order 1987: Motion for Approval

MINISTERS - See Annex

PRESS DIGEST

MAIN NEWS

- Confusion over whereabouts and circumstances of Terry Waite as terrorists' deadline for release by Israel of 400 Arabs nears, with 4 American hostages' lives at stake.
- B/Telecom strike set to finish this week after deal is recommended by union officials.
- Big shake-up in education planned by Kenneth Baker, with tests at 7,9,11 and 14 to raise standards.
- B/Airways has to ration shares because it is 11 times over-subscribed, and those who sought most won't get any.
- Gunman who held London family hostage for 12 hours overpowered and put in hospital.
- Five to appear in court after attempted raid on London museum in which one man was shot dead; Today says this shooting must not be lumped with other police firearms tragedies.
- Lord Denning changes his mind; after Ealing thinks Appeal Court should have power to increase lenient sentences.
- Soviet Union: 43 Soviet political prisoners released last week - the largest group to be released at one time since Stalin.
- Labour Party presented as tax raisers and Hattersley seen to run away from his published text at local government conference.
- Conservative Party headlines taken by Kenneth Baker's plans for education and Lord Hailsham's call to arms.

CONSERVATIVE PARTY

- Star: Hailsham puts party on election alert - Kinnock dragging Britain towards Eastern bloc style state.
 - Sun: Labour wants "Soviet Britain" - Hailsham's blistering attack will enrage Kinnock.
 - Express: Lord Hailsham attacks Labour's campaign of dirty tricks and abuse.
 - Telegraph: Labour threat of East-bloc Britain, says Hailsham.
 - Guardian says Young Tories are rampaging through party sensibilities.
 - Independent: Noisy 'storm troopers' push on towards right-wing takeover of the Young Conservatives.
 - Independent: Peter Kellner on the lack of Conservative Party democracy; as Gorbachev relaxes, Tebbit tightens his grip.
 - Times: A comprehensive policy for the countryside aimed at improving the employment, housing, educational and recreational opportunities in rural areas is expected to be a central plank of the Conservative Party's appeal to the electorate at the general election. Michael Jopling has won the backing of his Cabinet colleagues to draw up proposals.
 - You are opposed to any electoral deals if the Conservatives win most seats but no overall majority. Instead you would proceed with a programme, challenging the other parties to defeat you, forcing another election (Times).
 - The Conservatives expect to have recruited 10,000 new members next month as a result of its direct mail operation last September (Times).
 - YC Conference turned out to be a pre-election rally with your speech seen as a rehearsal of likely Tory campaign themes. (FT).
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- Paul Johnson, in Mail, says you have effectively changed the terms of reference of British politics. Kinnock looks like being your next scalp and you look to be in fine shape to break more records.
 - Telegraph says controversy is looming over constitutional changes in the National Union and local Conservative Associations.

EDUCATION

- Star: Exams at 7 plus in schools shake up.
- Sun: Ken rules, OK. Baker curbs Loony Left; schools to be 'tested'; regular exams for kids.
- Today: Pupils face a testing time.
- Express P1: Classroom revolution - grammar schools are on the way back if you are returned at next election; Baker hands back power to the heads; leader says a clear choice for our education system was put before the country at the weekend - 'Tories' vision of locally run schools with financial independence, a core curriculum and tests and Labour no choice and power restored to unions.
- Mail: Testing time ahead as classes get tougher.
- Telegraph: Four new tests for schools.
- Guardian says Kenneth Baker ruled out a return to grammar schools.
- Mr Baker proposes a national curriculum which, he says, has been accepted by the Labour Party (FT).

LOCAL GOVERNMENT

- Times: Many households in England and Wales face rate increases up to 15% despite Government forecasts of an average increase of 1.2%.

POLITICS

- Independent: Bevin analyses "Register of Members' interests" under headline "Rippon leads way in a ministers' boardroom stakes".

LABOUR PARTY

- Star: Hattersley calls on Labour to go on the offensive over local government.
 - Sun: Hattersley reiterates Labour would reverse any tax cuts in next Budget.
 - Mirror: Small piece about Hattersley promising Tories a tough fight.
 - Today: Hattersley tells high spending left wing councils a Labour Government would not bail them out.
 - Express: Hattersley says tax cuts "will be reversed".
 - Mail: What Roy didn't say to Labour councils - he departed from his text and toned down his praise of them; and also ran away from a confrontation with high spenders.
 - Telegraph: Labour is to make local government a central issue.
 - Guardian leads with "Labour pledge to reverse tax cuts".
 - Independent: Hattersley's jobs pledge starts election campaign.
 - Independent: Tory and Labour candidates in Greenwich report discontent among Labour voters over their party's candidate.
 - Times: Roy Hattersley yesterday challenged the Government to fight the general election on income tax cuts.
 - FT: Labour to make tax cuts key issue - linked with improvements in public services.
 - FT: Labour Party are set to make tax cuts v. job creation a key issue in the next election. There is growing conviction among the Labour leadership that an early election is on the way. Leader says local government issues will be one of the main themes of the election campaign, and that despite the existence of "Labour's loony town halls", it is not necessarily an issue the Labour Party is bound to lose. However, it looks as though Labour has failed to put together in time a policy on which it could do well given responses to its consultative document do not have to be in until the end of April.
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- Labour Party would introduce regional "GLC-type" authorities in London, North West, North East and Wales (Telegraph).
 - Brent authorises spending £100,000 on public relations to counter its "barmy" reputation.

B/AIRWAYS

- High profits expected when dealing starts on Wednesday.
- Mail leader says even Lord King seems humbled by the tumultuous response from the small investor - most convincing evidence yet that popular capitalism is really taking off.
- Telegraph says this was to have been a flotation for the worldly wise but it hasn't worked out that way.

INDUSTRY

- Leyland trucks take sales lead in January.
- Rover Group looks set to secure most of the financial support it wants for its Austin Rover subsidiary.
- Graham Day warns local authorities that higher rates could cost Rover jobs.
- Fraud costs industry £2.75bn a year.
- Guardian says Government is planning to hold back research findings on the incidence of leukaemia among people living near nuclear power stations until Parliament has debated Sizewell.
- Guardian says Environmental groups are angry and anxious over "secret" Government plans to free 85% of farmland for housebuilding investments and to increase drastically conifer planting.
- Independent: Government is learning that dreams of the tunnel cannot be left to the private sector alone.
- Times: The Government is about to launch a multi-million pound project to build a chemical computer that will operate in the same way as the human brain.
- Britain's civil engineers expect their workload to increase by 3-4% over the next few years because of greater Government spending on the infrastructure.

BUDGET/ECONOMY

- Sun says tax cuts of 2-3p are virtually certain and that prospect, linked with Hattersley's threat to take it all back, puts the Tories on course for election victory. He should also reduce the top rate.
- Mail says the unemployment figures of Thursday are expected to show a further fall; 83% of employers and 53% of unions feel there is no public concern over jobless figures rising.
- Telegraph has 5-page feature on venture capital.
- Telegraph leader says the Chancellor approaches the Budget with revenue oozing from his ears and will be hard put to it to find generosity which matches expectation. The time has come to put a damper on those expectations because the case for further stimulation of consumption is non-existent.
- Patrick Minford, alongside the leader in the Telegraph, argues however he can imagine no more potent symbol of the efficiency of 8 years' stewardship than a 4p cut in standard tax rates and an ability to afford more for crucial popular services.
- Times: A 4%^{cut} in basic tax rates to 25p is temptingly within reach for the Chancellor, say economists at Goldman Sachs. But Mr Lawson is expected to limit himself to less.
- Independent: Lord Young faces battle over plans to cut dole. Kenneth Clarke is less enthusiastic.
- The Bank of England is urging the Government to seek stronger powers in the banking bill which would enable it to veto acquisitions of large stakes in British banks on a wide range of grounds.
- Leading City forecasters predict Mr Lawson will implement severe spending curbs after pre-election tax cuts.
- Belgium has added its voice to those calling for a G5 meeting to discuss ways of stabilizing the dollar.
- Bank of England stops advance copies of its quarterly bulletin because of leaks.

LAW AND ORDER

- Star describes Animal Liberation as a poisonous little cabal of misguided maniacs after promising further mayhem over the jailing of their ringleaders.
- Lord Denning attacks soft-hearted judges who are out of touch with public opinion; says the Ealing case has convinced him that the Appeal Court should be allowed to impose stiffer sentences; Today says this proposition would be unfair and unjust and contrary to one basic principle of our criminal justice system. Mail says this change of mind should be sufficient to ensure Government policy is carried.
- The Crown Prosecution Service is to get an extra 570 staff (Times).
- You are being pressed to extradite a Sikh wanted for plotting to assassinate Mrs Gandhi; talks about extradition treaty have been going on for 2 years.
- D/Telegraph survey, made front page lead, says some parts of London and other major cities are becoming no-go areas. David Waddington says no police force deliberately sets out to allow a no-go area to exist.

LAW AND ORDER (Cont'd)

- Times: The Law Society says proposals to abolish the rule that remand prisoners must be brought before a court every 8 days will increase costs and undermine confidence in the criminal justice system.
- Times: Allegations that the Government is withholding highly sensitive information about Britain's recruitment of Nazi scientists immediately after the second world war are to be raised in the Commons.

HEALTH/WELFARE

- Independent: Dental treatment falls after rise in NHS charges.
- Times: Patients often fail to take the medicine they need because they cannot afford multiple prescriptions, says the Pharmaceutical Services negotiating Committee.

DRUGS

- Mirror exposes 2 doctors who doled out massive doses of heroin substitute and valium to Boy George and his friend who died.

AIDS

- Telegraph says some haemophiliacs are believed to have become inadvertently vaccinated against AIDS by clotting agent.
- Middlesex Hospital researcher predicts treatment within 2 years.

DEFENCE

- Press taking up case, revealed in Sunday Telegraph, of 31 year old Squadron Leader grounded by RAF who is not allowed to leave.
- Today comes up with old story about the Government having signed a crippling cancellation deal on Trident which could wreck Labour's non-nuclear defence policy.
- Times: Washington yesterday bowed to growing international and congressional concern over deployment of its Star Wars programme by postponing any decision.
- Independent: Allies step up pressure on US over Star Wars; Weinberger says US will abide by the terms of the ABM treaty; editorial says President has not made a good case for acceleration of deployment.
- FT: European defence ministers urged to set up a single arms market in latest report chaired by Mr Vredeling, former EC commissioner; feature looks at where the main parties stand on the deterrent issue.

MEDIA

- BBC subscription payments would mean a significant fall in the BBC's audience ratings, says Home Office report.
- Mail says a new row between Government and BBC is looming with a documentary planned to rake over the Profumo affair. Peter Rees says BBC should let it rest.
- BBC Panorama's Richard Lindley, Newsnight Martin Young, and Radio 4 presenter Bernard Falk, are coaching Labour Shadow Ministers on camera techniques. Lindley and Young are freelances.
- Telegraph says outsider is likely to head BBC, with Isaacs and Dimpleby front runners
- Michael Peacock, a founder of LWT, is said to have applied for the post of director general.

BBC/ZIRCON

- Times: Only you, Mr Younger and Sir Geoffrey Howe and Mr Lawson knew about Zircon project, according to senior Cabinet sources; the Zircon affair is strengthening the resolve of ministers to reform the Official Secrets Act; leader says serious thought needs to be given to a Freedom of Information Act.

- John Lloyd, editor of the New Statesman, attempts to explain the lessons to be learned from the Zircon affair.

EC FOOD MOUNTAIN

- Star criticises "bureaucratic bumbledom" associated with distribution of surplus food.
- Sir Henry Plumb demands an end to extravagant junkets by Euro MPs.

IRELAND

- Ulster Freedom Fighters claim responsibility for fire bomb attacks in Donegal and Dublin in Republic.
- Today says Ulster Unionists have ordered an inquiry into their alleged infiltration by National Front.
- Barring an unforeseen incident, Charles Haughey will next month become Prime Minister for the third time (Times).

SINO/SOVIET talks begin today in resolving border dispute.

FALKLANDS

- Express says Prince Charles has forced Civil Servants' to drop plans to shut down the South Atlantic Fund.

PEOPLE

- Zola Budd's running career threatened by injuries.
- Mail page feature on events leading up to Mark Thatcher's wedding, including dinner tonight.

MINISTERS (UK VISITS, SPEECHES ETC)

- FCO: Sir Geoffrey Howe addresses Foreign Affairs Forum, London
- SO: Mr Rifkind attends ceremony for 400th Anniversary of execution of Mary Queen-of Scots, Edinburgh Castle, Edinburgh
- WO: Mr Edwards attends reception for the Arts, 10 Downing Street, London
- DEM: Mr Lee launches approved training organisation for YTS, Manchester
- DEM: Mr Trippier visits Yorkshire and Humbershire
- DES: Mr Walden visits Kings College, London
- DOE: Mr Tracey attends Sports Aid Foundation annual dinner, Mansion House, London
- DTI: Mr Pattie visits Phillips Electronics, Cambridge and later speaks at Cambridge University Union Society on manufacturing
- DTP: Mr Bottomley announces M1 reconstruction work project at press conference, Luton Airport
- DTP: Mr Mitchell visits Heathrow for talks with taxi operators
- MAFF: Mr Thompson opens Turkey Industry Conference, Harrogate; later attends Dorset NFU reception, House of Commons
- MOD: Mr Stanley meets General Altenberg, Chairman of the NATO Military Committee, London
- SO: Mr Lang visits Irvine New Town; opens new office for Strathclyde Regional Council, Consumer and Trading Standards Department, Ayr; and later opens new office for SCOTBIC (Scottish Business in the Community), Edinburgh
- SO: Lord Glenarthur visits Orkney and Shetland Health Board (to 10 February)

MINISTERS (OVERSEAS VISITS)

- MAFF: Mr Jopling and Mr Gummer attend Agriculture Council, Brussels (to 10 February)
- MOD: Mr Freeman visits Royal Marines winter deployment in Norway (to 10 February)
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TV AND RADIO

Health Minister Mr Newton, interviewed by BBC Radio Essex, Chelmsford

"Daytime on Two"; BBC 2 (09.38): 'Going to Work' looks at the two-year Youth Training Scheme

"Education Extra"; Channel 4 (18.30): The team travel the country to report on the issues that affect teachers, parents, policy makers and learners

"World in Action"; ITV (20.30): "Burning Question" focuses on a bank clerk who was in an arson case. A former Home Office forensic scientist takes issue with the prosecution case

"Panorama"; BBC 1 (21.30): Stockton - Never had it so good. On the eve of Lord Stockton's memorial service, the programme examines life in Stockton today

"Thames Debate"; ITV (23.00): Michael Barrett chairs a debate between politicians, councillors and members of the public about whether the arts should be self sufficient or Government funded

"Their Lordships' House"; Channel 4 (00.15); Edited highlights of the proceedings in the House of Lords
