

17 June 1987

PRIME MINISTER

Guardian says Kinnock supports moves for a quick shake-out of Labour's parliamentary leadership to secure a younger, fresher team.

Steel hints that he will leave politics by the end of the year if he does not get his way over Lib/SDP merger.

Liberals back Steel unanimously, but Daily News says he has upset leading Liberals by admitting he is not sure whether to stand as leader of a merged party. Independent: Alliance leaders head for coalition.

Express says Steel is also wooing Labour Right and Centre; and is threatening to quit if he is not made leader of the Alliance. Edward Pearce says the Alliance holds the ground without which Labour will spend eternity in an uncorrupted wilderness.

Telegraph says SDP meet today tempted to appoint their own spokesman in unwelcoming response to Liberals.

Mail leader wants to know what all the rush to merge is about. It would pay both Liberals and SDP to keep their options open.

Richard Holme, Liberal, in Guardian, says if the opposition parties wish to avoid endless Conservative Governments, they should consider a common agenda. If Labour goes it alone, the Alliance will respond in kind, but an opportunity will have been lost.

Geoffrey Smith, in Times, says Liberals and SDP now resemble a quarrelsome family arguing bitterly over their father's will without realising that he died bankrupt.

Independent: The Labour Party in Scotland is preparing to campaign at Westminster and in the country for a list of demands including devolution and the abolition of the poll tax legislation.

Mr Rifkind said in an interview on Channel 4 that he is not ruling out the possibility of some move towards Scottish devolution if the campaign becomes overwhelming.

Express says Labour faces fresh disarray - Ron Brown MP calls for "workers struggle" against Government.

Telegraph says your lightning reshuffles have given the Government necessary momentum to avoid drift, but it regrets departure of Pattie.

Lynda Chalker becomes No 2 at FCO.

Today leader calls on you to give a peerage to Enoch Powell.

All day drinking to be permitted under new legislation planned by Government (Today).

Mail says protection for individual trade unionists will have priority.

Home Secretary orders a major assault on inner city crime - national agency to coordinate Neighbourhood Watch; close collaboration with four other Departments planned.

Times: Treasury shelves indefinitely plans for a family court in spite of wide support from judges, the legal profession and MPs from all parties.

Sun leader on the "good news" that the Treasury are working to cut top rate of tax from 60p to 50p, says it is only a start. It looks forward to when top rate will be only 27p. Guardian sees top tax levels in the trade war context and calls for international coordination.

Times leader discusses how tax cuts can help create more jobs and also create the incentive to earn, something Kinnock did not seem to understand, or believe, during election campaign. If there is a continuing healthy expansion of the economy, cuts in the higher rates should remain high on the agenda.

Telegraph says Lord Young (in cooperation with Nicholas Ridley) needs to find a formula to enable public and private enterprise to work in harmony in inner cities; Lord Young calls 200 senior officials from all over DTI to London conference.

FT: Water sell-off unlikely to start for two years. Queen's Speech will include bills on housing, education, rates reform, trade unions, criminal justice and copyright law. After attending the EC Summit on June 29-30, you are likely to fly to Washington for talks with President Reagan.

28 arrested at anti-apartheid rally led by Paul Boateng and held in defiance of ban outside South African Embassy.

Keith Best elects to go for trial on share dealings charges.

Peter Jenkins, in Independent, demolishes a whole series of Socialist post-election myths.

Saatchi & Saatchi suing the BBC for libel for saying they had been sacked from CCO.

Michael Dobbs leaving CCO.

Mirror says an extraordinary row broke out last night among your PR advisers - Saatchi's accuse Young & Rubicam and Lowe, Howard, Spinks and Bell of being the "principal originators of a campaign of disinformation" against them; and says Young & Rubicam's research methods are "useless".

Alf Lomas stands down as Labour's Euro MP leader because he says he has "failed to open a discussion in the party on the EC" - presented by Telegraph as a victory for Kinnock; Labour Euro Group abandons anti EC stance by electing pro-Europeans as Chairman and Deputy Chairman.

Peter Morrison is tipped to be the next Tory Party Chairman after Party Conference.

Mail leader draws lessons from the "bowl of spaghetti" produced by Italy's PR voting system.

OTHER NEWS

More strikes by Civil Servants after pay talks break down; CPSA try to stop its General Secretary talking to press.

Times: Electricians union face TUC ban over single union no-strike agreement.

100,000 children locked out of London schools as ILEA teachers strike for a day in protest at plans to move them compulsorily to correct surpluses.

Financial year gets off to flying start with Government in credit rather than, as expected, borrowing £1bn in May. Financial markets boosted.

Loans to Third World cost NatWest £466m this year.

Independent claims UK and US are involved in covert trade in arms to Afghans - MI6 and CIA supplying British missiles.

Times: ACORN Computers launch what is claimed to be the world's fastest microcomputer, capable of carrying out four million operations a second.

News on Sunday calls in Receiver for talks on new ownership structure.

Robert Maxwell trying to raise £630m to build modern newspaper plants in Britain by offering shares in British Printing Corporation.

W H Smith taking on 4,000 over next three years in big expansion.

B/Rail admits its 10% increase in fares from Sunday is in part designed to control overcrowding on inter-city trains.

Times: OFT asks Monopolies and Mergers Commission to investigate supply of six pain-killers made by only two manufacturers in UK.

Chief Rabbi and Bishop Montifiore attack Government's campaign against AIDS for encouraging promiscuity.

Myra Hindley urges Brady to help locate bodies of two more of their victims.

Three policemen injured in violent incident over drugs in Notting Hill Gate.

Today leader, which claims there are 22 knife attacks a week in Lambeth and that they are dealt with leniently by Magistrates, says Government must find a way of outlawing weaponry.

Times: West Yorkshire Chief Constable says he will order immediate inquiry if it is proved at Industrial Tribunal that a trainee West Indian officer was racially abused by colleagues and driven out of the force.

Three year investigation of the finances, effectiveness and efficiency of police service by the Audit Commission will be outlined at Chief Constables' conference today.

Victor Karpov, leading Soviet arms expert, indicates to Times that major obstacles still exist in the way of a super-power agreement on eliminating medium-range nuclear missiles from Europe.

Reagan sends more warships to Gulf; President widely being written off in the USA as a spent force. Express says the dangers of doing nothing in the Gulf are greater than allowing Russia to take control.

Guardian claims EC has been asked by Iran to act as a possible go-between in setting up talks on Gulf security.

Times: Iran Government authorises massive new arms procurement programme; Britain has cut the rate of issuing visas to Iranians from 300 in a week to almost nothing.

Times: Detainees being held on MV Earl William at Harwich by immigration service have twice demonstrated by refusing food.

American subway vigilante cleared of four attempted murders.

FT: Problem issues piling up for EC Summit which looks likely to be landed with deadlock on budget financing, farm prices, high tech research funding and liberalisation of air fares.

FT: BP estimates that world's known oil reserves will last 33 years at present rates of consumption.

Citicorp pulling out of South Africa.

Soviet historians show signs of ending silence on Stalin era crimes.

Independent says Papal visit to Poland appears to have enraged General Jaruzelski.

Sun features your £100,000 Fortress Supercar".

Mark Thatcher "ordered out" of Royal Enclosure at Ascot because he didn't have a ticket.

BERNARD INGHAM