30 July 1987

PRIME MINISTER

PRESS DIGEST

MAIN NEWS

EAST-WEST

Soviet Union throws SDI into deal on long range strategic nuclear missiles - says it must go.

Times: Soviet officials dampen down US emphasis over prospects for deal on medium and shorter-range missiles.

SPIES

Law Lords to rule today on whether injunction banning newspapers from publishing Spycatcher should be lifted.

Sir Nicolas Browne-Wilkinson, judge, calls for independent tribunal to resolve conflicts between press and Government.

RATES

<u>Telegraph</u> says Government has suffered another setback with CBI withdrawing support for reforms after refusing £2bn cut in proposed uniform business rate.

Nicholas Ridley is profiled in <u>Times</u> under heading "Poll tax man". It says that you can count on him to have the will to drive the community charge through; the question is whether he has persuasive arts to reassure country and his own party that the reform is right.

Nicholas Ridley expected to mount rearguard action today against Treasury proposals that London should get special treatment over community charge. Expected Wales will introduce new charge in one year.

INNER CITIES

Times: Senior ministers working out plan to bring together Government's various inner city initiatives in attempt to end confusion and inter-Whitehall battles between 5 departments.

Independent: Inner City initiative missing basic issue re connection between crime and youth unemployment as Government's efforts in disarray because of inter-departmental rivalry.

FAIRGROUND SAFETY

More concern over safety of fairgrounds as boy has his ear torn off in accident at Surrey park opened by Denis Thatcher; <u>Mirror</u> says he might have a word with you to do something about safety standards. Express inclines towards a public inquiry.

POLITICS

Steel uses party political broadcast to advocate Lib/SDP merger - SDP annoyed.

Independent: Straw poll shows majority of SDP supports merger.

Under heading "Remarketing Margaret", Denis Kavanagh, Professor of Politics at Nottingham University, writing in <u>Times</u>, examines what he calls the cloak and dagger Conservative scheming over election advertising - and finds it has deep political roots.

EDUCATION

Angela Rumbold calls on teachers to stand up to unruly pupils and restore classroom discipline.

HEALTH

Times: National Association of Health Authorities say cash limits are halting operations.

Times: BMA condemns plans to ask more detailed AIDS-related questions of people applying for live insurance policies.

Independent: Patient numbers limited by "fears of overspending" in some of the most efficient health authorities.

ECONOMY

Times leader discusses whether the economy is in danger of "overheating", concluding it only happens if it cannot supply the demands which are made upon it; so far worries about overheating remain unproven.

Independent: Feature on employment plans says Norman Fowler has to implement manifesto measures for which he has very little enthusiasm.

FT: Samuel Brittan says that the CBI survey moves the economic signals slightly to the green side of amber. There is less overstrain than might have been feared; and the May trade figures now look more like an aberration than a new trend.

INDUSTRY

Telegraph leads with Bank of England pressure on Stock Exchange to close if necessary to catch up with settlements.

Guardian leads with claims that fast reactor development has run into serious snags on basis of confidential UKAEA documents.

Times: Scott Lithgow set to lose MoD order.

Survey shows water prices in Britain are among highest in world - ready for privatisation.

Electricity industry refusing to cut prices, unlike B/Gas, after flbn profit (Today).

BA and B/Cal say the proposed merger is off if it is referred to MMC; <u>Times</u> says Government is likely to refer and Consumers' Association wants this.

Heathrow and Gatwick now busiest airports in world; New York's Kennedy Airport third.

Today calls on you to reform Sunday trading laws.

Civil Service Union calling on coastguards to vote on first strike in 165 years in row over pay and conditions. Independent: Fears over BT plan to charge firemen for emergency repair service.

Independent: Sir Adam Thompson of B/Cal rules out merger with Air Europe. If BA bid is referred to MMC he would reopen talks with US and European suitors.

LAW AND ORDER

Sun backs idea of "back-tracking" drink testing for drivers - Anthony Beaumont-Dark wants to outlaw practice.

Judge calls for urgent action to increase penalties for child cruelty - and Express backs him.

Mail leads with report of "blistering" attack by Teesside Community Health Council on Dr Higgs at centre of Cleveland abuse case.

Peckham Labour Party facing investigation by Labour's NEC in connection with allegations against Camberwell old folks' home.

Times: Jail crisis leads to 400-mile trips for remand prisoners.

Times: Law Society says police are refusing to let suspects call the solicitors they want.

<u>Times</u>: Investigation to be held into why number of new child sex abuse cases has fallen sharply on Teesside since introduction of second opinion procedure.

Independent: West Yorkshire police may be charged with assault on Conservative council candidate in Wakefield.

GULF

France orders warships to Indian Ocian on Gulf alert. Weinburger sends US minesweeping helicopters to Gulf. Britain resisting US calls for help with minesweeping.

First reflagged Kuwaiti tanker to hoist Red Ensign today.

Times: You give qualified support to Iraqi pressure for mandatory UN sanctions against Iran.

Independent editorial says British Government should be extremely reluctant to deploy British minesweepers although we would have a useful contribution to make to an international force. The thought of the risk the US is not taking should be enough to wipe any superior smiles from the faces of her allies.

LOCAL GOVERNMENT

Waltham Forest ratepayers lose High Court fight against 62% increase in rates, and get £100,000 bill for costs.

Audit Commission to call on Government today to crack down on creative accounting by councils.

DISASTERS

Former boss of Chernobyl nuclear power station and deputy jailed for 10 years; another four also sent to labour camps. <u>Today</u> says in this Soviet Union sets us an example, contrasting Chernobyl with Zeebrugge. <u>Mail</u> says Chernobyl bosses are only faulty cogs in a faulty machine, whereas under our system the company (Townsend Thoresen) was blamed.

Townsend Thoresen ordered to pay £400,000 towards cost of public inquiry into Zeebrugge disaster.

PEOPLE

Gwyneth Dunwoody MP in trouble again over unpaid Commons' restaurant bills.

Diary speculation that Alastair Burnet is on his way out, to be replaced by Peter Sissons on News at Ten.

INTERNATIONAL

New cancer investigation operation on President Reagan's nose.

Sri Lanka and India sign pact to end Tamil civil war; the agreement is a diplomatic coup for Gandhi because it expands India's military and diplomatic influence as the major power in South Asia.

Benazir Bhutto to marry.

King Hussein visits widow of financier and friend murdered by burglars in London.

EC

Teddy Taylor MP says taxpayers had to pay £118m last year to store surplus EC food.

FT: EC yesterday outlined plans for controlling the Community's farm spending which would involve the transfer of seeping new powers to Brussels.

CHUNNEL

Star: Race to build Chunnel flyer.

Sun, with picture, "My word! Maggie is so magnificent".

Mirror: French dash - high speed trains to link London and Paris.

Today: Chunnel goes off like a bomb - reference to unearthing of 3 World War II bombs during digging at Calais.

Express: Formidable! Maggie in Churchill mould; leader says CAP excesses are just as worthy of our leaders' attention as building the Chunnel which will nonetheless be an historic achievement.

Mail: Action on Chunnel as talk ends.

Telegraph P1: 3-hour Chunnel Paris-London rail link planned.

Picture on front page of <u>Times</u> under heading "Two-way entente signed at Elysee Palace" shows you and mitterrand; BR will not be getting there as fast as French as trains will be slower.

Independent: Brussels 'housewife' brings elan to the Elysee. Your French much appreciated by your audience (if not by the Independent reporter).

FT: Paris to London link in three hours or less given an important boost yesterday when you and President Mitterrand expressed joint support for high-speed train service yesterday.

POLITICS

Star attacks Ken Livingstone for his "scurrilous and scabrous" attack on Norman Tebbit for allegedly whipping up sexual and racial hatred during the election.

Sun attacks Norman Fowler for delay in introducing scheme depriving 18 and unders of dole money i f they refuse training. 'Pathetic' it will not come in before autumn of 1988.

Guardian reports move to loosen links between TUC and Labour Party.

BERNARD INGHAM