

PRIME MINISTER

PRESS DIGEST FOR SUNDAY 13 SEPTEMBER

Reshuffle

You are generally thought to be working on a reshuffle at Chequers.

Mirror says Tory left-wingers believe you are trying to shift Mr. Prior who has threatened to resign if he is pushed out of mainstream economic policy.

Observer says you face a serious obstacle because of Mr. Prior's warning.

Sunday Times says Mr. Prior's outburst is evidence of a breakdown in personal relations with you.

Telegraph says Conservative right-wingers say you should be prepared to let Mr. Prior go to the backbenches.

Express says your remarks on the Jimmy Young programme have persuaded Ministers that you are approaching a reshuffle in a robust mood.

TUC/Politics

David Steel, in News of the World, says together Liberals and SDP should romp it; Scottish Liberal Party gives overwhelming backing to alliance with SDP.

Pressure grows on Foot to back Healey.

People says TUC, facing both ways on pay, believes in unity at any price no matter how false or absurd.

Mirror calls on Benn to sign the pledge - no more contests until after the general election.

Observer says election of Benn as deputy leader would be a disaster for the Labour Party.

But George Gardiner, in Express, says it won't make much difference to the Labour Party whoever wins the deputy leadership - the basically decent soul of the Labour Party has departed this world.

Express expects the writ for the Croydon by-election to be moved this week and for it to be held on 8 October.

Telegraph says Gadaffi has sent thousands of pounds to help Trots and other left-wing activities in Britain.

Summit

Again goes down well with the media and Foot welcomes Chunnel project.

Observer talks of surprising entente; but some newspapers see the tests of the relationship coming soon over the Community Budget.

Industry

Gas-gathering pipeline decision continues to be taken calmly, with several reports that the oil companies will go ahead with their own pipeline without BGC, probably with BP in the lead.

Hereford firm sells a windmill to Holland.

Price of the Observer going up 5p to 35p.

Unions/Pay

Express says NUR plans to stop all overtime at the end of the year to force British Rail to recruit more men and Government to put more money into the industry.

Local Government

Labour controlled AMA hires advertising agency to mount £0.5-1 million campaign against Government policies.

North/South

Sunday Times opinion poll on the supposed North/South divide in Britain finds our deepest held beliefs about the nature of the divide are just myths.

Civil Service

Express says the Government is planning a further cut of 80,000 in the Civil Service to save £500 million on top of the planned reduction over 5 years.

Law and Order

News of the World says right-wing riot groups are getting training by infiltrating the Territorial Army.

Nine Italians held in London in connection with the Bologne station bombing.

Chief Constable Oxford, Merseyside, says he does not blame unemployment for inner city problems - accepted codes of conduct and personal accountability have broken down.

Sunday Times says police and community leaders in Brixton are having secret talks on radical new liaison to prevent a repetition of the riots.

Northern Ireland

Express says The Queen and yourself are the main targets for IRA demonstrations being planned in Melbourne.

Express says Bernadette McAliskey who said in Spain that the only terrorists in Northern Ireland are British soldiers would not be alive to shriek at anyone but for those soldiers.

Observer says hunger strike shows little sign of ending; the Sunday Times says a number of factors will combine in the next few weeks to weaken it - Catholic clergymen are combining against it; the attitude of prisoners' families; and disillusionment of Republican prisoners themselves.

Royal

Australian newspaper says there is a rift in Princess Anne's marriage.

International

Poland: workers protest meetings in Russia against Solidarity.

USA: Reagan has decided to cut defence spending by \$3 billion from the budgets of the next three years.

New Zealand: violent end to Springboks tour; Muldoon, in Telegraph interview, says he will not be beating the table at Melbourne about the Gleneagles agreement but will emphasise that it was intended to be persuasive.

Egypt: cancels visit of Israeli General who says Sadat is in trouble and may be toppled.

Bernard Ingham