

PRIME MINISTER

MAIN EVENTS

Opposition Day Debate on Westland Plc
EC Political Committee, The Hague (to January 16)
Home Office media Seminar on drug misuse opens
Publication of public expenditure white paper
East African drought summit, Djbouti

STATISTICS

CBI: CBI/FT survey of distributive trades
DEM: Average earnings indices (Nov-prov); employment, hours
and unit wage costs

PUBLICATIONS

HO: HM Chief Inspector of Prisons Report - Guys Marsh
HMT: Public expenditure white paper published (15.30)

PARLIAMENT

Commons

Questions: Trade and Industry; Environment

Business:

10 Minute Rule Bill: Cruelty to Animals (Amendment) (Mr Harry Cohen)

Opposition Day (3rd Allotted Day): Westland plc
Motion on the Statutory Sick Pay Up-Rating Order

PARLIAMENT (Cont'd)Adjournment Debate

The proposed closure of the radiotherapy unit at Southend Hospital (Dr M Clark)

Select Committees: (Cont'd)

TRADE AND INDUSTRY

Subject: UK Motor Components Industry

Witness: Sir Bryan Hayes KCB, Permanent Secretary, Department of Trade and Industry

EMPLOYMENT

Subject: The Work of the Department of Employment Group

Witnesses: Rt Hon Lord Young of Graffham, Secretary of State for Employment and Rt Hon Kenneth Clark QC MP, Paymaster General

HOME AFFAIRS

Subject: Misuse of Hard Drugs

Witness: Mr D Mellor MP, Parliamentary Under-Secretary of State, Home Office

PUBLIC ACCOUNTS

Subject: Directorate of Prison Industries and Farms Fraud

Witness: Sir Brian Cubbon GCB, Home Office

SELECT COMMITTEE ON THE ARMED FORCES BILL

Subject: Armed Forces Bill: Clauses 1 to 4

Witnesses: Officials of the Ministry of Defence

ENVIRONMENT

Subject: Planning

Witnesses: Department of the Environment Officials

COMMITTEE ON A PRIVATE BILL

Felixstowe Dock and Railway

Lords Short Debate to call attention to codes of practice as affecting the incidence of legislation

Short Debate to call attention to the importance to the nation of full employment and to the case for an annual employment budget which, inter alia, analyses unemployment and indicates what the Government is doing about it and what co-operation they need from both sides of industry

Public Order (NI) Order 1981 (Incitement to Hatred) (Amendment) Bill (HL): Second Reading

MINISTERS - See Annex

PRESS DIGEST

Labour lead by 5% in MORI poll.

WESTLAND

- Calm before the storm is how some papers sum up yesterday. Mr Brittan seen to be in danger.
- FT says Peter Walker publicly supported Mr Heseltine in a speech in Leeds
- Hattersley says Heseltine embarked on a direct assault on the Official Secrets Act.
- Sir John Cuckney says Euro bid will not be put to shareholders if Sikorsky fails.
- Michael Heseltine says he is deeply concerned about the share dealing.
- Bristow says he has bought another 2% bringing his pro-European holding to 13%.
- Libyan money said to be backing mystery buyer who has snapped up 15% of shares to swing deal behind Sikorsky/Fiat.
- D/Star: Maggie's backing Brittan. Loyal stand as No 10 agrees to publish that secret letter; feature says you are facing your biggest political crisis to save your own credibility and stop the Government disintegrating; leader says Mr Brittan must go now - he told less than the truth.
- Sun P1: Maggie set to publish that letter. Inside - Maggie's backing Brittan in heli storm; leader says Leon Brittan's misfortune is that he was caught out bending the truth. His party will forgive him. But hell will freeze over before there is forgiveness of Heseltine. Since he resigned he has popped up on 15 TV programmes to demonstrate his disloyalty. Sun reprints Brian Walden's piece in last night's Standard explaining why you should come out fighting against Heseltine.
- Mirror P1: Brittan's last stand. Could be forced to resign at the end of the week. Contents of letter from Austin Pearce said to be fatal for him. Leader, headed "shifty, shady, shabby" says the Government is held together by its desire to stay in office. Principle and purpose, in so far as they existed, have disappeared. Mr Brittan didn't tell the truth because the truth needed courage he didn't have.
- Express P1: Maggie poised for showdown over Westland. Vital letter will be published before debate. Michael Heseltine returns to MoD to research for today's big shoot out. Leader, under heading: "It's Answer time, Maggie" says Kinnock yesterday failed miserably to press home his advantage and you played a dead bat. But this was a mistaken tactic for this ridiculous squabble has gone on long enough. George Gale, on why you should come out fighting, says your own conduct has been characterised by weakness while being vilified for bossiness. Heseltine has given himself an immense amount of rope, displaying valour without discretion and disloyalty for no national interest. Now the smack of firm Government is required.
- Mail P1: Brittan faces a day of destiny. His position hinges on two issues - the result of the leak inquiry into the Solicitor General's letter (Heseltine supporters say the leaker will be revealed as someone in Brittan's Department who thought he was doing his boss a good turn); and his meeting with Lygo.

WESTLAND (Cont'd)

- Telegraph P1: Brittan is backed by Thatcher. Extra shares of mystery buyer. Parliamentary sketch writer says you spared the sword yesterday.
- B/Aerospace deny they leaked information of Pearce letter to you to Mr Heseltine. Leader, under heading "Be a Premier", says an assignment of some moment awaits you this afternoon. You must contrive to win back for the Government the confidence of those behind you. But it would be wise to keep to the high ground and insist the Government can't function unless its members observe the rules of public solidarity.
- Guardian P1 lead: Brittan's survival chances diminishing. Claims leaker of Solicitor General's minute has been identified. This and Lygo meeting are the tests for him. Almost no friends left on Backbenches.
- Guardian leader headed "The leader of a rather unhappy team", wonders why it has all been allowed to go on. It says that its central conclusions on the future of Westland have not changed - Euroroute is sensible for Britain. But on the wider issue of Cabinet Government it says members of the Cabinet would be wise to ask themselves whether they shouldn't be making far surer that the team leader remembers the rest of the team and that commonsense can come from making decisions in common.
- Times P1 - Thatcher to reveal B/Aerospace letter in attack on Heseltine. Future of Westland looks even more finely balanced after share dealings. Tory MEPs to back Euro option.
- Peter Kellner, in Times, on "Heseltine: the open record" says every day brings fresh evidence of the compulsion to hide the truth and then lists what he alleges has been Mr Heseltine's practice since 1973.
- FT P1 lead: Thatcher prepares her counter attack over Westland affair. Story contains one para on Pearce letter; Mr Heseltine alleged Mr Brittan warned Sir Raymond (Lygo) that B/Aerospace's investment in the European consortium was against the national interest and that the company should withdraw. Another piece says Whips last night regarded Mr Brittan's future as far from secure.
- FT leader, on a case of bad judgement, says the most plausible charge you will have to answer today is one of incompetence and poor judgement rather than constitutional impropriety. Cabinet only itself to blame when Heseltine began promoting Euro offer since they had encouraged it and in so doing implied a degree of unease about the Sikorsky offer. One conclusion is that steering a midway path when you have decided on a hands off policy is asking for trouble. A chapter of accidents and misjudgements which you must do your best to explain in today's debate.

ECONOMY

- Bank of England evades an increase in the bank rate.
- Mortgages not to become dearer after 1% rise in base rates - investors put in £865m last month.
- Prince Philip says high taxes encourage youngsters not to work.
- Express says British living standards are floating on a sea of credit - doubling in 4 years to £173bn. 1m council tenants behind with rent and 100,000 householders 3 months behind with mortgage repayments.
- Mail says Foreign Secretary in Saudi Arabia should give the Saudis no reason for assuming that if the OPEC cartel is coming apart we see it as our business to try to help put it together again by cutting back North Sea production.
- Andrew Alexander, in Mail, says the 3 month rate suggests a ½% rise in base rates is still possible. And markets are suddenly nervous about your durability as PM. He hopes you are still strong enough to resist going with EMS.
- Guardian says you rebuffed Gartcosh marchers yesterday - enraging Opposition MPs and dismaying some Tory Backbenchers.

INDUSTRY

- Reports that majority of Ford workers have voted to reject 15.7% over 2 years; result announced Friday.
- Britain's farmers suffered an average drop in farm incomes of 43% according to annual review. Michael Jopling discourages farmworkers' union from expecting their members receiving part of the compensation available to dairy farmers who get out of milk.
- Sir Patrick Neill to investigate Lloyds for DTI.
- Guardian says cost of petrol looks likely to fall.

UNIONS

- TGWU to give £15,000 to Militant controlled Liverpool Labour Party.
- EETPU agrees to talk to Murdoch about a no-strike deal, to distress of other unions.
- Guardian says those who want to impose democratic centralism on EETPU are calling into question future of TUC itself.
- NHS electricians vote 2-1 to strike against 4.7% pay offer which other NHS workers have accepted.

EDUCATION

- ACAS talks to try to end pay row adjourned last night.
- Governors of schools throughout England and Wales call on teachers and employers to declare a truce until a full inquiry produces a solution.
- Telegraph says an inquiry into pay and conditions seems attractive but the whole structure of education and Burnham needs to be examined so that teachers can never again take such action with impunity.

CHANNEL LINK

- Mail leader says a decision of this magnitude should not be rushed just to suit the electoral timetable of Mitterrand.
- Guardian wonders whether it makes sense to be building political tunnels under the Channel when at the same time it is backing away from technological links.
- Times says Link could be in jeopardy unless French agree to British demand for road option to be included.

LAW AND ORDER

- Kaufman rejects outright Roskill's recommendation of no-jury fraud trials.
- Youth, 19, charged with murder of Selsdon girl strangled in her bed; Mirror uses picture of his arrest on its front page.
- Sun leader challenges Kinnock over Bernie Grant accusing police of lying in its report on Tottenham riot. Does Barmy Bernie represent his views?

SPORT

- Substantial account of Popplewell report in Times.

IRELAND

- Owen Carron, accused of terrorist offences, allowed out of jail to fight a big election.
- Tom King says Anglo-Irish agreement will stand whatever the polls say.

DENMARK

- In political crisis after Prime Minister Schluter threatens a referendum on proposed EC reforms.

AFGHANISTAN

- Report that 20 Soviet soldiers executed in Kandahar for refusing to fight Afghans.

SWEDEN

- Gothenberg to boycott visit by frigate HMS Brazer, with Prince Andrew on board, because they believe it may be carrying nuclear weapons.

ADEN

- British Embassy hit in Aden street fighting.

BERNARD INGHAM

MINISTERS (UK VISITS, SPEECHES ETC)

DTI: Mr Brittan attends launch 'Making Sense of Europe' publication
MAFF: Mr Gummer addresses NFU branch, Devon
MAFF: Lord Belstead meets Dutch Parliamentarians, London
MAFF: Mrs Fenner attends reception hosted by Spanish Ambassador
MOD: Mr Stanley attends Armed Forces Select Committee
DEN: Mr Hunt visits Combined Heat & Power Consortium, Leicester
DOE: Mr Waldegrave lunches with Country Landowners' Association
DOE: Mrs Rumbold visits Harwell
FCO: Mr Renton address London Diplomatic Association luncheon
DHSS: Lady Trumpington visits Cornwall and Scilly Isles
OAL: Mr Luce visits National Maritime Museum, Greenwich
DTI: Mr Pattie attends British American Tobacco Industries lunch, London
DTI: Mr Morrison attends Tobacco Advisory Council lunch, London
DTp: Mr Mitchell attends Transport Act regional seminar, Leeds
HMT: Mr Stewart visits Abbey National Building Society, London

TV AND RADIO

"Comment"; Channel 4; (19.50): With Michael Meacher Shadow Secretary of State for Health and Social Security

"Diverse Reports"; Channel 4; (20.30): Christine Chapman talks to conservatives who say the Party hasn't got it right
