PRIME MINISTER

MAIN EVENTS

Prime Minister opens new renal unit, Brighton; attends CPA dinner, London Princess of Wales visits National Hospital for Nervous Diseases, London

Increased flexible arrangements for licensing new vehicles come into

Gas privatisation announcement (12.00)

First class post up by lp

STATISTICS

DEM: Overseas travel and tourism (11.30)

DEN: Advance energy statistics, August (11.30)

PUBLICATIONS

PAY

MINISTERS - See Annex

PRESS DIGEST

LABOUR PARTY

- Healey backpedals on nuclear policy after calls for dismissal.
 US Ampassador to Britain warns that the Americans would push the defence issue right up t
- the election.
 Heffer loses his seat on M.T.C to Dalyell.
- Kinnock's speech felt to lack content, but gets lots of coverage for his quote "I would die for my country but could never allow my country to die for me."
- Party votes to outlaw discriminatation against homosexuals.
- <u>Sun</u> notes conference chanted "Here we go" just like miners supporting Scargill in pit strike.
- Today under Lonrho, joins Mirror and Guardian in backing Labour.
- D/Star P8: I would die for Britain, but I wouldn't let my country die for me, says Kinnock; leader a formidable performance by Kinnock in preaching to the converted, but what did he actually say? Precious little. Football slogans don't win elections, but facts do.
- <u>Sun</u> P1 has Kinnock sparking off an international row by threatening to <u>cut</u> off supply of intelligence to USA if they interfere with Labour's unilateralist policy.

LABOUR PARTY (Cont'd)

- Report notes the conference approved plans to wipe out Tory trade union laws.
- <u>Leader</u> headed "Denis on the twist again" says Healey would make a corkscrew look like a straight line.
- John Vincent, in <u>Sun</u>, says Kinnock offers morality and uplift without much economic substance.
- Mirror P1 leads with pictures of triumphant Kinnock below heading "Here we go" and says he staked a powerful claim to be Eritain's Prime Minister. Leader headed "Enter the Statesman" says Kinnock's speech was that of a man who deserves to be Prime Minister. His honesty and integrity is not equalled by other party leaders. Joe Haines' commentary adulatory.
- George Gale, in <u>Mirror</u>, says it is a dream and fantasy that Labour is set to win with thousands of Militant supporters deeply entrenched in the party. It is a charade and a nonsense that Labour has suddenly become reasonable and responsible - see defence policy.
- Today leads with Kinnock's conference triumph fighting talk. Leader headed "Compassion, conviction and Kinnock" says if a single speech could clinch an election, Kinnock would be coasting home. But it admits he would have jarred had he gone into the detail of policies. And it says he has not answered the powerful case made against his defence policy
- Express P1: Kinnock's election challenge. Kinnock lights Labour's election torch and calls on "moral majority" to defeat you. Inside Kinnock puts his best foot forward in a bid for power.
- Jon Akass's verdict: "The very picture of a husband, father, patriot and politician. But not yet of a Prime Minister."
- Express leader says it was an impressive conference performance, but in an election he will find it is one thing to thrill an audience of the faithful, quite another to win the votes of the sceptical public. And after yesterday's speech it has every right to be sceptical. A speech long on promises but woefully short on detailed explanations. It was not the speech of a credible Prime Minister to the nation.
- Mail P1: US steps up the war on Labour US Ambassador virtually accuses Kinnock of not telling the truth to the conference about what the White House thinks of Labour's nuclear policy.
- Conference report P2: I'd die for Britain. Kinnock makes extraordinary CND pledge to Labour which leaves many people puzzled.
- Mail leader under heading "A party hostile to freedom", says not for the first time Kinnock's speech to the conference was stronger in style than substance. Yet his credibility as a future Frime Minister was jeopardise even before he rose to his feet by the hopeless position he had got himself into over the issue of defence.
- <u>Mail</u> reports note Benn attacked "Tory" courts and the presence of the Hell Cats, the swarm of militant women; Colin Welch also finds incomprehensible the bit about being "ready to die for my country".

LABOUR PARTY (Cont'd)

- Telegraph P1: Kinnock pledge to keep Britian within NATO, but failed to allay the anxiety of the Reagan Administration.
- Edward Pearce says of Kinnock's speech: "It was hokum, but a very good class of hokum and eminently successful". In terms of coherent argument about defence his "I'd die" remark was about as nourishing as a boiled lentil.
- Telegraph leader says the rapture of Kinnock's reception should not obscure the weak intellectural and political base for many of his policies. The performance was fine; the content was minimal. As a potential Prime Minister it still finds him wanting.
- <u>Times</u> says Kinnock gambled yesterday on making Labour's unilateral defence policy the centrepiece of his election platform.
- Union leaders have called for a pause before Labour commits itself to phasing out nuclear power stations.
- Times leader: The "moral majority" Neil Kinnock hopes to harvest is one created negatively by discontent with the government, not by Labour's own policies, whose full implications are to be soft-pedalled. When the time for decision comes he is likely to find that the electorate has a more sceptical and inquiring mind than he now cares to think.
- Geoffrey Smith, in <u>Times</u>, says that Kinnock failed to respond to Denis Healey's comments that it was not inconceivable that NATO could persuade Labour to change its mind on defence. "I doubt if that is the best way to win the election, but it is certainly not the best way to prepare for government."
- FT leader: Kinnock gave a remarkably subdued performance. As a speech designed to keep the conference happy it was a success. Bigger challenges lie ahead. Labour pins its hopes on being able to do what it wants in the social field on a high rate of economic growth, an aim that has proved elusive in the past.
- Peter Riddell says the speech contained little of substance on policy, concentrating on moral themes, on which he displayed his considerable oratorical skill.
- Guardian: Mr Kinnock has offered his activists the precious possibility of election victory, though on his terms rather than those they might instinctively prefer. For the moment at least Labour is so grateful for the chance that it isn't going to argue with him.
- Article by director of Oxford Research Group says Labour plans for disarmament will force the party into a crisis. No machinery exists to carry it through and there are no official studies of how a non-nuclear policy would work.

SUMMIT

- Reagan/Gorbachev well covered and eclipses Labour Party conference.
- Zakharov, Russian spy, deported as Daniloff arrives home.
- Sun headline: "Ice one, Ron. Jubilant Reagan sets up Arctic peace pow wow". And Reagan the victor in the spy swap wrangle.
- Mirror P2: Reagan says yes to Arms Summit.
- Express leads with "Let's talk".
- Mail P1: "It's a date". Leader says the news gives the lie to those who claimed that the superpower talks were stuck in a diplomatic and bureaucratic morass.
- <u>Times</u>: The decision by Gorbachev and Reagan to meet in Iceland last week astonished the world. <u>Leader</u> says Gorbachev does not have to go to Washington as supplicant. If his hostage-taking can win for him the Summit of his choice and the release of his intelligence agent with so little sacrifice, he may be tempted to try a variation in future.
- <u>FT</u>: The Summit is unlikely to produce any major new agreement. Although initially it is conceivable that Gorbachev is deliberately preparing for an unsuccessful meeting in order to cancel a later meeting in Washington.
- Telegraph: The ploy of arresting a journalist has accomplished the Soviet Union's purposeven if by a roundabout route. However the US Administration has not behaved dishonourably even if, to the Russians, it has lost face. Leads with sudden thaw as Iceland talks are arranged. Soviets claim Reagan "blinked first" over spy swap.
- Guardian: The meeting must surely yield more than fair words and photo opportunities.

 With the utmost pragmatism Mr Shultz and Mr Shevardnadze agreed that the risks and humiliations of losing a little face were infinitesimal beside the gains that might flow from a Summit.
- <u>Times</u>: Whitehall is convinced that an historic deal on intermediate range nuclear missiles in Europe is now possible.

LOCAL GOVERNMENT

- Knowsley Council sacks Hatton for gross misconduct in his job as community worker.
- Sun leader on Islington's the "gay" capital of Britain discrimination in favour of homosexuals. If two people are equal in every way and one is a homosexual, the "gay" will get the job.

ECONOMY

- Prospect of higher interest rates recede as £ pulls up.
- <u>Times</u>: Pressure for higher interest rates eased yesterday, making it less likely that mortgage and overdraft rates will rise.
- Guardian: Britain and West Germany have reached an informal understanding to act together to protect the pound and the mark. This pact helped sterling yesterday.
- Telegraph: 'German bank deal saves interest rise'.
- FT: Bundesbank joins move to aid £ recover.
- FT: President Reagan yesterday voiced the increasing frustration of the US at the refusal of America's trading partners to increase growth.
- The Chancellor's laid back posture is best. (Guardian).

INDUSTRY

- Sealink ferry cut back to Channel Islands causes disruption as crew take over ships. Loss of 500 jobs.
- Boardroom salaries rising 11.6%.
- New holiday price war.
- FT: Northern Engineering INdustries plans to shed 7,500 jobs after a sharp fall in profits.
- A Dunlop plant is set to sign a one-union deal for the whole factory.

POLITICS

- Telegraph: In an interview in the Director magazine, Nigel Lawson says he is in favour of the Government running its full five-year course.
- Guardian: The Charter Movement for Conservative Party Democracy is threatening a revolt by constituency associations the next time a leader is chosen, unless the party is made more democratic.

BBC CHAIRMAN

- Today's hottest tip Sir Patrick Mairne.
- <u>Times</u>: The selection of the new chairman has been delayed after the rejection by you of a shortlist of candidates from the Home Office. An unnamed official says the appointment is no longer imminent.
- NB: Anglia TV offer to make Ian Curteis's Falklands play which BBC have "postponed".
- Mail says Milne will have to face the Governors tomorrow over the Curteis affair.
- Paul Johnson, in <u>Mail</u>, under heading "Utterly biased, morally bankrupt, politically corrupt" says that the politburo which now rules the BBC is utterly contemptuous of the old standards of accuracy and fair play. Its purpose is to use the monopoly position of the BBC to make propaganda. They have a particular aim to damage you.
- The author of the Falklands play again challenges the BBC's version of why it decided to stop the production. The dispute may strengthen your resolve to appoint a hard-line chairman.

LAW AND ORDER

- Home Secretary asks politicians who criticise police handling of riots how they would feel in the front line against a mob.
- <u>Times</u>: Illegal entry to Britain has risen by 31%, according to the Home Office.
- Times: Labour proposals for greater police accountability would mean handing control of the police in some of the most dangerous areas of the country to their enemies, Douglas Hurd said yesterday.

HOUSING

- <u>Times</u>: John Patten will tell the Conservative Party conference he intends to establish right-to-rent legislation as powerful as right-to-buy. The Government wants to control the home price spiral.
- Telegraph: The rise in house prices is slowing down, says the Abbey National.

UNIONS

- British Coal demand £100,000 from financially straitened NUM bill for losing court cases against Board.
- Times: Ian MacGregor says the miners' strike could have been over by Christmas if he had been properly supported by the Government. He says, by implication, that you also failed to give him backing.

HEALTH/WELFARE

- Extensive coverage of NSPCC report on child neglect; prompts <u>Star</u> to renew its campaign for a Minister of Family Affairs.

EDUCATION

- Kenneth Baker says primary schools are not stretching bright pupils enough.
- Guardian: Kenneth Baker has promised an increase in the number of teacher following a Select Committee report calling for 15,000 more in primary schools.
- Guardian: School exercise books used by pupils in Buckinghamshire are to carry advertisements for services such as banking and insurance.

SOUTH AFRICA

- Reagan appoints America's first black Ambassador to South Africa.
- Guardian: The Senate is expected to override President Reagan on sanctions today.
- Times: Britain was struggling yesterday to stop the Council of Europe from demanding government action if British competitors, visit South Africa for sports events.
- FT: President Botha took what is seen as the first step towards retirement by stepping down as leader of the Cape National Party, after 20 years.
- The Commonwealth Games is still £4m in debt and in danger of liquidation.

BERNARD INGHAM

MINISTERS (UK VISITS, SPEECHES ETC)

DHSS: Mr Fowler opens new health centre, Greenwich (10.00)

DHSS: Baroness Trumpington opens new ambulance station, Newham (10.30)

DES: Mr Baker visits Peterborough

DTp: Mr Bottomley visits Utility Street Works, London

DOE: Mr Waldegrave launches Somerset Trust for Nature Conservation appeal, Taunton

DOE: Mr Patten addresses building industry seminar on marketing

DEM: Lord Young opens Wider Share Ownership Forum, CBI (10.00)

DEM: Mr Trippier speaks at international conference on new technologies in training, London; visits Open University, Milton Keynes; attends Northants Co-operative Development Association AGM

WO: Mr Robinson visits housing schemes, Neath; opens annex to Tonna Hospital, Neath

WO: Mr Roberts addresses CBI, Bangor University.

OAL: Mr Luce speaks at opening of British Film Institute Symposium

MINISTERS (OVERSEAS VISITS)

DTI: Mr Pattie attends ESPRIT Technical Week, Brussels

TV AND RADIO