### PRIME MINISTER

#### MAIN EVENTS

US Secretary of State, George Shultz briefs NATO colleagues on Rejkjavik summit meeting, Brussels

ECOFIN, Brussels

EC Agriculture Affairs Council, Brussels (to October 14)

Institute of Maintenance and Building Management annual conference, Eastbourne (to October 17)

OECD/CERI conference on IT in schools, Paris

#### STATISTICS

MAFF: Food Facts (2nd qtr 1986)

DTI: Producer price index numbers (Sept-prov)(11.30)

### PUBLICATIONS

CO: Westland Plc, the defence implications of the future of Westland Plc the Government decision making (15.30.)

CSO: Key Data 1986

DEM: HSE Guidance Note and Leaflet on Noise in Construction (1400)

HO: Prison Reform Trust on Prison Rules

SO: Executive summary of joint review of the Scottish Development Agency by Scottish Office and HMT

#### PAY

DEM: Local authority chief officers; (5,400); substantial pay claim sought - 5.5 per cent has been rejected; settlement date 1.7.86

### PARLIAMENT

### Lords

Housing and Planning Bill: Committee (3rd Day)

#### PRESS DIGEST

## REAGAN/GORBACHEV

- 11 hours of talks end without agreement. Big disappointment is no date for Summit.
- Deadlock over Star Wars; Gorbachev says Reagan made proposals "only a madman would accept".
- But close to agreement on other aspects.
- David Owen says it was always unrealistic of the Soviet Union to expect Reagan to agree at this stage to abandon SDI research.

#### Treatment

- <u>D/Star P1</u> Dead end. Arms talks end in failure and bitterness with each side blaming the other; another story says this thrusts you into role of peacebroker during your visit to Moscow next year.
- <u>Sun</u> P2 Summit gloom as arms deal hopes shatter. Star Wars deadlock.
- <u>Mirror</u> P1 Worlds apart; "they rejected the best deal in history" (Reagan); "We are reaching the point of no return" (Gorbachev). Talks end in bitter failure.
- Today P1 Dead End. Reagan stands firm over Star Wars.

  Gorbachev warns of new arms race. Big two fail to fix new Summit date.
- <u>Mail P1</u> No deal. Summit ends in failure. They won't meet in US now; Star Wars was the breaking point. They leave without a handshake.
- Telegraph P 1 Summit ends in failure. Marathon talks founder over US Star Wars. Gorbachev displays his anger, accusing Reagan of scuttling and frustrating the mini-Summit.
- Guardian P1 Summit collapses over Star Wars. Iceland talks fail with strategic arms agreement in reach.
- <u>Independent</u> P1 Summit ends in total failure. Reagan's hard line on Star Wars blocks agreement.
- <u>FT</u>: With the news blackout, Gorbachev's wife, Raisa, dominated US media coverage. Reagan aides were angry and frustrated.

# Comment

- D/Star says a chilling fear will spread through the world today. This goes to show how important defence is and will be for the future of Britain. The Tories claim they have the only real policy to oppose the Russians. Even Kinnock must be wondering this morning if you weren't right.
- Telegraph says it was never likely the meeting would produce spectacular results and lack of result should not for the time being be considered a serious blow to peace. Time is on Reagan's side.
- Independent says the Russians' aim was to get an elderly
  President with no great grasp of the technicalities and a
  desire to go down in the history books as a peacemaker into a
  corner and talk him round. It is confirmation that the President,
  lame duck or not, is not to be pushed around.

# OTHER NEWS

- The Queen starts her visit to China.

#### DRUGS

 Customs Officers seize biggest haul of cocaine in Britain in champagne bottles and worth £3m.

### EL SALVADOR

- British International Rescue Team flies out to help in earthquake disaster.

#### INDUSTRY

- Chancellor planning to sell off £3bn Government's remaining stake in BP "to pay for tax cut" (Sun).
- Miners at Tilmanstone colliery vote 5-1 against fighting closure and for higher redundancy pay than will be available after March.
- Freight Rover wins £20m order for 1,000 Sherpa min-buses as a result of bus deregulation; Rolls Royce doubles car sales to Japan this year.
- Institute of Directors want to see more women on boards.
- Paddy Ashdown MP wants public to be given details of an alleged partial melt-down at Chapelcross nuclear reactor in 1967.
- <u>FT</u>: Concern is mounting among UK car components suppliers about the fundamental review of the Austin Rover development programme ordered by Graham Day. They fear collaboration with Honda might go too far and have warned the government of the consequences.
- Eurotunnel is well on the way to raising £200m from institional investors in a worldwide share placing to be concluded on October 24.
- Sir Clive Sinclair about to relaunch himself in the micro-computer market. Barclay's back him to the tune of £1m.

#### **ECONOMY**

- Boots survey says most people have more money to spend than ever before.
- <u>Times</u>: Financial markets are set to hold off from pushing British interest rates higher until the Chancellor's Mansion House speech on Thursday.
- The Government is engineering a pre-election boom which could result in 10 per cent inflation soon after the general election, according to stockbrokers Messel.
- There has been a mixed response to The Green Paper on profitrelated pay. The deadline for comments is Friday and already there are indications that reaction has fallen short of what the Chancellor hoped for.

# DEFENCE

- The government is unable to name a chairman to launch an investigation into the future design of Royal Navy warships (Times).

### LOCAL GOVERNMENT

- Today leader says the name of local government stinks in Britain these days with hardly a day going by without a shock-horror story of shenanigans - and the Tories are certainly right in deciding that Town Hall bashing is likely to win as many votes as union bashing did in 1979.

### TERRORISM

- We uncover terrorist squad of one Swede and 5 Arabs planning Abu Nidal attacks in London.
- After the murder in Bonn on Friday of the political director of West Germany's Foreign Ministry the country is grappling with the prospect of alarm and uncertainty over terrorism (FT).
- Times: Cardinal Hume is urging the Home Secretary to consider referring back to the Court of Appeal cases such as those of the Maguire Seven and the Guildford bombings; leader says the Home Secretary might consider appointing a senior lawyer to investigate all aspects of what is a worrying case.

# LEAK

- Police begin inquiries into leak of Ambassador Craig's dispatch from Saudi Arabia.

#### FALKLANDS

- British and Argentine MPs agreed over the weekend on a four-point agenda for discussion next spring designed to break the freeze in relations between the two countries.

#### SPORT

- Robert Maxwell will today announce a £3.5m deficit and demand £2.7m from the Government (Times).
- Sunday horse racing and betting look set to be legalised by the end of the decade after a significant shift in Government thinking (<u>Times</u>).

# NORTHERN IRELAND

- Policeman fatally injured in rocket attack on West Belfast base. Haughey says Anglo Irish Agreement has worsened position of Nationalist community.
- Today commenting on Observer report that the RUC operated a shoot to kill policy in 1982, says the Sampson report must be published or criminal prosecutions must be brought.

### LAW AND ORDER

- Police are hunting the attackers of Roy Hattersley who sprayed him with beer and spat on him at Euston railway station.

## EDUCATION

- Parents in Haringay organising mass truancy today in protest at LEA's pro-homosexual policy.
- Three out of five school leavers feel their education did little to prepare them for the real world, an MSC survey shows (Times).

#### HOUSING

- A scheme to combat gazumping, in which both the buyer and the seller of a property would pay an initial deposit before contracts were exchanged is to be recommended by the Law Commission (Times).
- The Government Homeloan Scheme, launched by Labour in 1978, has run into the ground because its provisions have failed to keep up with rising prices.

### PEOPLE

- Piers Merchant, Tory MP, takes up challenge to live on dole in a council house with family.
- You are expected to sanction the creation of at least 12 new peers to bring new blood into the House of Lords (Times).

# AID

- Oxfam claims that for every £1 given in aid to African countries, West takes back £2 in debt repayments.

# POLITICS

- Labour considering imposing a candidate on Knowsley N.
- The Conservative and Labour Parties have full agendas this week to maintain the political momentum generated by the conferences. The 'A' team will meet, the Star Chamber will hold the first of a series of meetings and Labour will launch a 20-page colour brochure outlining its policies.
- Business leaders show little enthusiasm for the Chancellor's concern to cut the standard rate of tax, according to CBI soundings. Instead, they would like more direct help for the umeployed.

### ARGENTINE

- Alfonsin to make 4 day visit to USSR.

# MINISTERS (UK VISITS, SPEECHES ETC)

DEN: Mr Walker attends Gas Energy Exhibition, Manchester

DOE: Mr Ridley opens Metrocentre, Newcastle-upon-Tyne

DES: Mrs Rumbold addresses Association of Enfield Headteachers

DES: Mr Walden meets CVCP and University Grants Committee on clinical academics pay; later Mr Baker opens phase l of Birmingham University's Institute of Research and Development

DEM: Mr Lee addresses Vocational Commission seminar on sheltered employment

DEM: Mr Trippier visits Bolton Institute of Higher Education

DEN: Mr Goodlad opens NEIG Video Wall, Waterloo Station

DOE: Mr Tracey opens Recreation Managers Association of Great Britain Conference, Norwich

DHSS: Mr Major hosts reception for delegates attending assembly meeting of Rehabilitation International, London

HO: Mr Waddington addresses Queensway Trust, Birmingham

OAL: Mr Luce speaks at opening of Princes Risborough library, Buckinghamshire

ODA: Mr Patten addresses Action Aid Symposium on food surpluses and food shortages, London

SO: Mr Lang opens new laboratory for Bioscot Ltd, Edinburgh

DTI: Mr pattie attends cable authority seminar

DTp: Mr Spicer visits Jersey and Guernsey for aviation discussions (to October 14)

HMT: Mr Lamont addresses Stock Exchange/Daily Mail seminar

WO: Mr Roberts addresses dinner in honour of German Tourism Operators, Aberconwy

# MINISTERS (OVERSEAS VISITS)

FCO: Mr Renton departs for New York to address UN General Assembly; then onto Washington (to October 15)

DTI: Mr Clark visits Yugoslavia and Hungary (to October 19)

DTI: Mr Shaw visits Switzerland

# TV AND RADIO

- \*Mavis on 4\*, Channel 4 (16.00) New series with Mavis Nicholson.
- "Open to Question", BBC 2 (19.35) Lord Marshall (Chairman of the CEGB) questioned by the young people of the nuclear age.
- "World in Action", ITV (20.30) investigates the safety record in South Africa's gold mines.
- "Panorama", BBC 1 (21.30) The NHS Part one of a two part inquiry.