

PRIME MINISTER

MAIN EVENTS

Prime Minister visits ICI plant, Haslemere

International Olympic Committee meets in Lausanne to decide on venue for 1992 Games

Chief of Defence Staff - Federal Republic of Germany visits UK

STATISTICS

BSC/ Usable steel production (Sept)
BISPA

CSO: Tax and Price Index (Sept) (11.30)

DEM: Retail prices index (Sept) (11.30)

PARLIAMENT

Lords

European Communities (Amendment) Bill: Committee (2nd Day)

MINISTERS -See Annex

PRESS DIGEST

CHANCELLOR'S SPEECH

- Chancellor says prospects are good. Keep calm, he tells City.
- Sun says Chancellor hinted last night that interest rates may have to rise again to keep inflation under control.
- Today P1: Keep calm appeal by Chancellor.
- Express: Lawson: future looks bright!
- Mail P1 lead: Chancellor takes on money markets - don't panic. Leave himself free to raise interest rates again. Andrew Alexander says Chancellor seeks to brazen it out.
- Telegraph: Keep calm; optimism over trend on jobs.
- Guardian: Lawson stands firm against City critics - policy unchanged and no move towards EMS.
- Times: The Chancellor's low-key speech at the Mansion House was expected to disappoint foreign exchange markets.
- Independent: Employment boost for bullish Lawson. P1 lead links good unemployment figures with Chancellor's exposition of "sound money and free markets" policy.
Leader: "Either we learn to live with joblessness running at over 3 million indefinitely, or the nation adopts a series of measures designed to turn the trend.

CHANCELLOR'S SPEECH (CONT'D)

- FT: After the speech, both the Bank and the Treasury emphasise~~d~~ there was no question of setting firm target for the exchange rate either against other European currencies or the dollar. The Chancellor has done little to settle the markets; leader sympathises with the difficulties of Mr Lawson's task but wonders how anyone can make a sound judgement about the correct level of sterling. There seems little option but to soldier on with the present approach although it is a pity the Chancellor still felt unable to announce the change of policy he wants, ie full membership of EMS.

UNEMPLOYMENT

- Biggest fall since 1979 and vacancies highest for 7 years. Government encouraged.
- John Prescott says it is a false dawn and evidence of 17 fiddles of the figures.
- D/Star: Jobless on way down.
- Sun: It's good news at last for jobless. Hard core total falls.
- Mirror: Fury as jobless toll rises again. Inflation jumps as well.
- Today: Jobless fall could be election signal - odds on 1987 election shortened with fall; leader says it will not stop reminding the Government of its greatest failure: it wants action, not crocodile tears.
- Express: We're winning jobs fight, says jubilant Lord Young; leader says the figures are good news.
- Mail: Jobs gloom lifts - hard core total drops by highest since 1979.
- Telegraph finds a rare moment of optimism in the figures and then argues for the Inland Revenue's treating as self employed those who work for only one employer as a means of reducing jobless.
- Guardian: Rise in job total is slowed.
- Times P1 lead: "Fall in jobless sharpest since Tory victory". But Labour, the SDP and the TUC say the figures are misleading.
- FT: Upward trend in jobless may be levelling off.

INDUSTRY

- Channel Tunnel begins recruiting 4,600 workers.
- New £57m pit opened in Fife.
- Jaguar assembly workers halt production of the new car, two days after it goes on show at the Motor Show.
- The British Ports Association says the Channel Tunnel will have a devastating effect on ports throughout Britain.
- Times: School leavers are being used as cheap labour by many retailers and wholesalers who do not provide proper training says the Distributive Trades Economic Development Committee.
- FT: According to the Electricity Council, Sizewell B could be running in the 1990s if permission to go ahead comes at the end of this year.
- Opposition protests at further batch of substantial amendments to the Financial Services Bill, this time widening the scope of provisions covering stabilisation of new issues in the equity markets
- Bank of England Governor urges restraint to avoid excessive competition after "Big Bang".

ECONOMY

- Institute of Fiscal Studies thinks black economy is only 3-5% of total.
- The PSBR of £2.2bn last month was well below City expectations.
- Times: The Cabinet is facing a demand from senior ministers for the first substantial increase in overseas aid since the Conservatives took office. An extra £40m is wanted by Sir Geoffrey and Mr Patten.

CHINA

- Many newspapers dominated by Prince Philip's alleged "slitty eyes" and "ghastly Peking" remarks to a British student.
- Palace spokesman says remarks were "private and jokey".
- Sun P1, with slit-eyed mock up of Prince Philip, says "Philip gets it all wong". An amazing clanger which angers Chinese. Feature records 10 of Prince Philip's greatest clangers. Leader attacks Michael Shea's behaviour with Chinese security men.
- Mirror P1: "Philip drops a clanger".
- Express P2: What Philip didn't say, by Palace aide. Shea dismisses as "absurd and grotesque" reports of Duke's insulting remarks. "Jocular comments have been taken out of context".
- Mail asks if Britain needs "a terracotta Duke" - the Chinese ones are "tall, dignified and, above everything else, silent"; leader says it would be fascinating to know what China thinks of the Prince.
- Telegraph P2: Prince in "ghastly" row over Peking - embarrassing and potentially damaging row.

EAST/WEST

- Soviets now say there will be no nuclear disarmament pact unless Reagan scraps Star Wars; Today says Reagan is ready to compromise on Star Wars.
- Nato military commanders complain to Washington they are being kept in the dark about superpower arms talks.
- Liberals may call new party assembly to try to heal their damaging split over nuclear policy.
- Kinnock wants UK and Europe, involved in arms talks.
- Guardian wants Europe to help Reagan off his SDI hook.
- Times leader says the removal of intermediate range missiles from Europe now will be just as contentious as their deployment two years ago. We have become accustomed to the protection they provide.
- Independent: Russians reject separate INF deal; NATO chiefs feel spurned by US; Russians restate hard line on Star Wars delay; Poll shows most Americans support Reagan's SDI stand.

FT: President Mitterrand looks towards the next full summit. Yesterday's statements from the British and French Governments seen as "timely reminders" to the US that there was scepticism about claims that SDI could allow strategic nuclear arms to be dispensed with in the near future.

- Police standing guard over mixed "peace" camp at Molesworth after attacks on it by hostile feminists "The Wimmin" who object to men being allowed there (Mail).

IMMIGRATION

- Hundreds of Asians at Heathrow, awaiting clearance, to be taken to Gloucestershire training centre for weekend.
- Express says Douglas Hurd is set for an angry showdown with MPs who deny they are a soft touch for Asian immigrants trying to get back into Britain; leader says MPs seem to be abusing their rights and opportunistic Kaufmann knows that abuses are rife. The public will see the justification of the Home Secretary's move.
- Hackney Council are hiding a West African woman while race relations officers seek a review of her deportation order.
- Mail leader accuses Rajiv Gandhi of humbug in condemning the new visa regime as racist. He is a hypocrite. Telegraph says Indian High Commissioner was called to FCO yesterday to be told of our surprise and regret over Gandhi's remarks.
- Telegraph leader says the racist charge is absurd.
- Guardian: The Government was accused of incompetence by its own immigration officers.
- Times: Gerald Kaufman promises a furious dispute over the Government's plans to restrict MPs' rights to intervene in immigration cases. Leader says Kaufman is ill-advised to say that Labour will repeal the visa legislation. People will remember what he said. The Government has acted sensibly and humanely.
- Independent: Political storm gathers over MPs' deportation rights.
- FT: No apparent anti-British feeling in Dhaka following visa control, although officials complain about the lack of consultation prior to imposition.

LAW AND ORDER

- Lambeth will consider only a black as £16,000 a year head of its Police Unit.
- Times: Scotland Yard investigations into Mafia drug profits led yesterday to arrests by US agents in Florida, linked to the movement through British institutions of 30m dollars of cannabis.

NORTHERN IRELAND

- Grandmother, 76, and son shot down by sectarian killers at their farm. UFF claim responsibility. IRA deny son was connected with them.

HEALTH/WELFARE

- Norman Fowler praised for his decision to send leaflets to every home in the country on AIDS and says he must make blood tests available to all. We are fighting for our lives.
- Express leads with Minister for AIDS - Tony Newton.
- Mail leader sees the planned leaflet not as over-reaction but prudent common sense, sensible and right.
- Women's health on agenda. Health Education Council and Women's National Cancer Control Campaign greet Mrs Currie's new role with their priorities (Independent).
- Coffee the new heart disease risk, according to US research. More than five cups a day triples the risk (Independent).
- Express says the Government should accept with good grace the Lords amendment giving patients right to sue hospitals which breach health and safety regulations.
- Edwina Currie defends her plain speaking on the JY Programme and says she doesn't mind the criticism if it makes the North healthier.

EDUCATION

- FT: Government poised to by-pass local education authorities and intervene directly in teachers' pay, according to John Pearman.
- 350 Northants schools given the go-ahead for change to 8-2pm continental hours, without long meal breaks.
- NOP finds that 66% support the idea that parents should have the legal right to withdraw children from sex education classes.
- LEA leaders say it will be disastrous if Kenneth Baker tries to impose a settlement on teachers.

TRANSPORT

- 30 hurt in a collision between two trains on Bakerloo line.

POLITICS

- Star features this evening's meeting between Harvey Proctor MP and his constituency after allegations about his sex life; leader says the MP may be a victim of a smear campaign but if the allegations are true, he is not fit to play any part in public life.
- Sun leader headed "Windy Neil" describes Kinnock posing in front of the Berlin Wall as the most significant picture of the week - the great neutralist and the most dramatic symbol of the brute force of Communism.
- Majority of Liverpool's Labour councillors refuse to give unqualified loyalty pledge demanded by Party Secretary (Guardian).
- Arthur Scargill, in Guardian, says proportional representation is a fundamental Socialist concept.
- Times: The march of the Tory right through your administration continued yesterday with the new appointments.
- David Watt, warning that the Alliance should not be written off, says you and Lord Whitelaw will not feel happy about an election unless you are well ahead in the polls - and it is by no means certain that this condition will be fulfilled in 1987.
- Times: The Cabinet yesterday agreed on the legislative package for the coming session and thereby left the way clear for you to call an election next summer. The Queen's Speech, with the exception of the Criminal Justice Bill, is not expected to contain many controversial or time consuming items.
- Clearing banks waging media campaign against Labour's National Investment Bank proposals (Independent).
- Hugh Dykes attacks Norman Tebbit and "increasing McCarthyite tendency" (Independent).
- Fresh faces join Whips (Independent).
- Malcolm Rutherford in FT contributes an up-beat account of the Government's position and says that if it isn't on time, it's on track and will be very hard to beat at the next election.

MITTERRAND VISIT

- Ignored by all papers except Mail which reports, under heading "Sorry, Maggie" Mitterrand apology and his pledge that compensation will be paid.
- Guardian piece headed "France sticks by deterrence".
- Times: "Mitterrand in accord on nuclear deterrent". You and he are united over defence policy.

MEDIA

- ITV planning 24 hours television from next year.
- Editors challenging legal right of police to be given access to riot photos.
- ITN to start beaming a nightly news programme to Europe.
- The Times to print an account of the move to Wapping next week.

ISRAEL

- Daring rescue of pilot downed in Lebanon.

RUSSIA

- In a postscript to the Daniloff affair, the Russians yesterday released the prominent Soviet dissident scientist Professor David Goldfarb (Times).

MINISTERS (UK VISITS, SPEECHES ETC)

DES: Mr Baker visits Cavendish Laboratory, Cambridge

DEM: Lord Young attends Action for Jobs breakfast, Droitwich

DOE: Mr Ridley visits Lake District National park

DTI: Mr Channon visits North West

DTP: Mr Moore inaugurates new bus service, Bolton and tours bus station

HMT: Mr MacGregor addresses Federation of Young Farmers

WO: Mr Edwards opens new industrial enterprise (Bird Bros), Chepstow

FCO: Mr Renton addresses Bishop's Evening on arms control into the 1990s

DHSS: Mr Major attends AGM of the Multiple Sclerosis Society, London

DHSS: Mr Lyell visits Stotfold advice centre

HO: Lord Caithness visits Glen Parava Youth Custody Centre

OAL: Mr Luce takes part in Radio Sussex 'phone-in programme

SO: Mr Ancram meets Scottish Consumer Council, Edinburgh; later meets Scottish Chambers of Commerce to discuss rating reform, Edinburgh

DTI: Mr Shaw visits Motor Show, NEC

DTI: Mr Pattie visits North East

WO: Mr Robinson addresses all Wales Housing Conference, Llandrindod Wells

TV AND RADIO

"Week In Politics", Channel 4 (20.15) - First of new series examines the future of the Tory Party

"Any Questions", BBC Radio 4 (20.45) - Rev Stanley Booth-Clibborn, John Butcher MP, Ann Mallalieu and Des Wilson
