PRIME MINISTER



MAIN EVENTS

European Council meeting begins (to 6 December)

HM The Queen gives a luncheon at Buckingham Palace for EC Heads of State/Government and Foreign Ministers who are attending the European Council Meeting

Sir Robert Armstrong returns from Australia

Prime Minister meets with M. Martens

NUO

Prime Minister hosts dinner for EC Heads of Govrenment

NUS conference, Blackpool (to 8 December)

Announcement of Cardiff Urban Development Corporation

STATISTICS

Car and commercial vehicles production (Oct-final)

PUBLICATIONS

Fire Safety and Safety at Places of Sport Bill

PARLIAMENT

Commons

PRIVATE MEMBERS' MOTIONS

Mr Kenneth Hind - Local Government.

Mr J Wallace - Functions and Powers of the Island Councils of Scotland.

Mr Fred Silvester - Anti Racist Policies in Education.

Business:

Adjourments

Homelessness in Newham (Mr R Leighton)

MINISTERS - See Annex

PRESS DIGEST

GUARDIAN in an analysis of polls says Tories have moved into the lead for the first time since Pebruary 1985 and share has reached 40% for first time since January 1985. Alliance is still lagging 6 points below Ceneral Election level.

ROTHSCHILD dominates MI5 case - or rather your failure to clear him of spying.

- Greengrass denies he has leaked details of hearing in camera.
- Star P2: Maggie is silent on Fifth man.
- Sun P2: Row as Mrs T fails to clear Rothschild; you stun MPs.
- Today P1: MPs stunned by Fifth Man stonewalling; leader on "The silence signalling a shambles" says a committee of senior politicians would be particularly useful in clearing up this matter.
- Mirror P2: Thatcher silent on peer in spy storm. Joe Haines claims last weekend's attack on Kinnock for speaking to Turnbull (about which there was 'absolutely nothing wrong, constitutionally or otherwise") was orchestrated by the Whips and the most outrageous piece of hypocrisy in years.
- Express P2: Stonewall Maggie in new Rothschild row. Friends of Rothschild say he had pleaded with you to clear his name before he wrote his letter to the Telegraph. Another story says Downing Street made it clear you will not break of security briefings for Kinnock had the onus is on him to explain his contacts with Turnbull.
- Mail P9: Maggie turns down Rothschild plea. You look like making Rothschild sweat it out for 3 reasons: we don't know what Wright will say in witness box; the DPP is considering whether Rothschild has breached the Official Secrets Act; and the naming by Labour MPs of senior intelligence figures has opened a Pandora's Eox; leader says Lord Rothschild owes the public an explanation of his own role in the affair of Wright's memoirs.
- Telegraph P1 lead: Anger by MPs on Rothschild stonewalling by Thatcher.
 Another story says Labour claimed "unconditional surrender" by you in pulling back from your threat to cut off Kinnock from security briefings.
- Times P1 lead: "Thatcher opts to stay silent on Rothschild". You shocked the Commons by declining to clear him of spy allegations. Some Conservative backbenchers are dismayed; Lord Pothschild's statement that MI5 has "unequivocal evidence" that he was not a spy is a reference to a secret meeting at his London flat with the head of MI6, when he helped to nail Kim Philby. Sir Dick White said he had not the slightest doubt that Lord Rothschild was not a spy.
- Paul Greengrass says he is the subject of a smear campaign by Whitehall (Express).
- Times article by David Watt in favour of secrecy.
- <u>Independent</u>: The future of the trial is in doubt after the Government win their appeal. Roy Jenkins says it is a scandal storm that will blow and blow and reflects badly on your behaviour as Head of Government.
- Independent: You decline to clear Lord Pothschild, MPs of all parties are shaken by your blank refusal to clear him. Speculation that to clear Lord Rothschild would mean naming another as the Fifth Man.
- Police in Sweden investigating Falme's assassination said to be questioning Lord Rothschild's daughter, Emma.

ROTHSCHILD/MI5 (Cont'd)

- Telegraph feature says Kinnock's links with reporters covering the Wright case who played a key role in the Oman affair was the final straw in relations between you and Kinnock.
- Guardian P1: Thatcher gives no support to Rothschild.
- FT: You resist calls from both sides of the House to clear Lord Rothschild A senior Minister implies you cannot do so until the Wright case is over.
- FT special feature by Malcolm Rutherford says the Wright case has once again demonstrated your absolute steadfastness and determination and your electoral standing will perhaps be enhanced. Only two dangers remain: the first being the charge of incompetence; the second that something "very nasty" could come out of Lord Pothschild's apparent role.

KINNOCK'S VISIT

- Nato's Supreme Commander says US would pull out of Europe if Britain went unilateralist; Kinnock accuses him of an about-turn.
- Sun says Kinnock's tour hit more trouble last night when Senator John Warner claims that NATO will crumble if Labour wins the election.
- Express says Kinnock is coming under intense pressure from his most loyal supporters to scrap his "suicidal" ban the bomb defence policy, with a bruising attack on today's New Statesman. Labour peer, Lord Stewart has also added his woes.
- Express leader headed "Now Kamikaze pilot Kinnock has no defence", says even Kinnock's friends have been pointing out that his defence policy is dangerous Lord Stewart, Jim Callaghan, Dr John Gilbert and now New Statesman; cartoon shows Kinnock in dock saying "Splendid news. I've been found NOT guilty of being the Fifth Man, but only guilty of being a monumental idiot unsafe to be let out except with a nanny".
- Mail says Kinnock's tour is in double trouble with remarks by Senator Warner and General Rogers.
- Mail leader on Labour's idea of an "exploding ditch" says that to say that Western defence experts are aghast at the naivety of the idea is to put it very mildly indeed. It all goes to show that in today's Labour Party the loonies are not confined to the London borough of Brent; it devotes 2 centre pages to "the flurry with the singe on top" and asks "Would you trust these men with the defence of Britain?".
- Telegraph leader says Kinnock made two elementary mistakes in planning his visit he failed to study the market and took with him an unattractive product.
- Guardian back page: Kinnock warns Rogers against interfering. He blames you for translating natural US superiority in NATO into something like domination."
- <u>Times</u>: Mr Kinnock was involved yesterday in a sharp clash with General Bernard Rogers, to the further embarrassment of his USA visit. He accused NATO's commander of trying to influence the general election result.

DEFENCE

- Secretary of State for Defence receives report on NIMROD/AWACS and says both work but it is RAF specifications that will decide; Editorial says UK interest is in a fine balance between the rival bids.
- Independent Weinberger hands out further Star Wars deals worth £10m to Europe but none in latest batch for UK.

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ECONOMY

- Sun leads on EC report which blames our level of unemployment on unjustified wage increases says Wilson's one man's pay rise is another man's price rise could more accurately be expressed as another man's job.
- Telegraph reports Bishop of Durham as saying the continuing division of Britain is likely to increase the possibility of violence.
- Independent editoral on regional pay differences says the CBI and TUC do not understand what causes unemployment, the Covernment does but doesn't appear willing to do anything about it.
- Thames Water becomes the first State Enterprise to follow Ministers and signal the end of national bargaining in the water industry (Indpendent).
- Peter Walker to receive the confidential report on the Sizewell inquiry today. An academic says that it could not have been fair to all parties (Independent).
- <u>FT</u>: Bank of England is supporting changes to make the gold market more democratic and akin to deregulation of City markets. Treasury expected to issue consultation paper soon.
- FT: Visible trade deficit shows big increase.

INDUSTRY

- Spot checks on absentee Vauxhall workers at Luton finds some doing other jobs and one doing another job and claiming unemployment benefit.
- Racal wins £350m Saudi defence contract.
- Express reports that 5 more firms defaulting on VAT to tune of £1.2bn and too few VAT inspectors to chase them.
- Telegraph features the DROPPS contract and says the award of a £200m contract today will be the final blow for the firm which developed the project but has been denied the prize for its
- Telegraph says coal production in South Wales has increased its output since the strike with half the number of pits and half the men.
- <u>Cuardian</u> says unpublished power industry estimates call for a £15bn crash programme of power station building from next year.
- FT: CBI seek clarification on "woolly proposals" to impose a statutory duty on all companies to sell safe consumer goods.
- FT: Spherical prototype windscale nuclear reactors to be demolished.
- Times: The Government took the extraordinary step yesterday of announcing which company it would like to see win the contract to run Rosyth dockyard; Lord Denning who was the key figure in getting union rights to be consulted written into the Dockyard Services Act said he was surprised by the announcement in the middle of negotiations. It looked as it the Covernment was pre-empting the unions.

- Times: The Government is supporting moves by backbenchers to allow all-day opening by put

BRITISH GAS

- Little profit expected from early share dealings.
- <u>Times</u>: Shares slipped to their issue price on the "grey" market but recovered to $55\frac{1}{2}p$ and are expected to open at 58p and then improve slightly.

UNIONS

- Scargill faces Commons inquiry after reports that he has called for the expulsion of 2 Labour MPs from the party.
- TGWU begins inquiry into Militant takeover of its Liverpool branch.

LOCAL GOVERNMENT

- Sun leader on plan by Camden to give young mothers baby sitters on the rates so they can attend lesbian meetings, asks how did they become mothers if they are lesbians?

RATES

- Star calls on you to scrap rating system and replace it with local income tax.
- FT: Leader says Mr Ridley deserves no applause for reshuffling RSG yet again, but he does deserve sympathy. He has done wrong but it is difficult to see what other option was open to him given the system he had to work with.

EDUCATION

- Enoch Powell cancels visit to Oxford University for fears of a mobbing.
- Kinnock suffers a "snub" (Express) as Ken Livingstone, candidate for Brent East, endorses Erent's decision to force Miss McGoldrick to undergo disciplinary hearing.
- <u>Times</u>: More than 750,000 Scottish children had their education disrupted yesterday by the one-day strike.

HOUSING

- Prince Charles' plan to help house homeless youngsters on the Duchy estate in Kennington abandoned in the face of angry residents.

HEALTH/WELFARE

- Star lends its support to proposal for free TV licences for pensioners.
- Royal College of Midwives says schoolleavers are abandoning MHS careers for less stressful and better paid jobs. Mirror leader attacking Government for the "crisis" and Edwina Currie's reported statement that she does not see a crisis.
- Mail leader on Church of England report on poverty says it recoils from the logical conclusion that more people should be more self reliant.
- Churches Council call for alcohol to be priced out of people's reach to reduce drink problem.
- <u>Times</u>: The standard of maternity care is plummeting because of a shortage of midwives, says the Royal College of Midwives.

AIDS

- Cases doubling every 9 months in EC countries, according to Brussels report.

SPORT

- Brian Clough, manager Notts Forest and well known supporter of Labour Party, attacks "idiot" idea of membership cards.

EC

- £100m investment boost for fishing industry.
- <u>Independent</u>: Greece comes cap in hand to Summit Germany seeks tougher rules on immigrants.
- Times leader says Britain's term of office draws to a close with rather less achieved than the rhetoric might have led one to hope modest progress.
- FT: European Court backs UK over insurance trade.

EGYPT

- Foils coup by Moslem extremists.

ZIMBABWE

- Two Britons released after 5 years in gaol, even though cleared of spying charges in 1983; Sun: Just imagine the outrage if two innocent men had been held in a jail in South Africa for so long.

PARIS

- Student mobs take to the streets and riot police out in force.

MINISTERS (UK VISITS, SPEECHES ETC)

DEM: Lord Young opens College of the Distributive Traders Training

Conference, Butchers Hall

DHSS: Mr Fowler opens New Ambulance Advice Bureau Unit, Bromsgrove

Mr Channon visits Liverpool DTI:

Mr Lawson addresses the Daventry Conservative Association HMT:

Mr Hurd speaks at Reading University

Mr Jooling attends launch of Cumbria Rural Enterprise Agency MAFF.

Mr Rifkind addresses Glasgow Publicity Club, Albony Hotel, SO: Glasgow; later hosts reception for Industry Year Scottish

Committee, Buta House, Edinburgh

Mr Lee makes regional visits to Cheshire DEM:

Mr Hunt addresses the Institute of Mining Engineers "Symposium on DEN:

Mining Methods Majestic Hotel, Harrogate

Mr Walden sites All Souls seminar address on "The Politics of DES:

Science*

Baroness Trumpington attends Clinical Genetics Society meeting, DHSS:

Royal College of Physicians, Regents Park

Mr Bottomley attends British National Committee Congress lunch, :qTG

Barbican

Mr Brooke addresses the North Warwickshire Small Business Bureau HMT:

and later the Croydon Central Co-operative Club

HO: Lord Caithness visits Glen Parva YCC

Mr Waddington speaks at Bristol University HO:

Mr Mellor addresses Campaign Against Drug Abuse, Norwich HO:

MAFF: Lord Belstead visits Arkengarthdale, Yorkshire

MINISTERS (OVERSEAS VISITS)

DEM: Mr Clarke in Lichenstein

Mr Bottomley addresses British National Committee Congress Lunch, DTp:

Barbican

TV AND RADIO

"Advice Line"; BBC 1 (09.45): Paul Clark and Eileen Evason answer questions on social security problems

"Micro Live"; BBC 2 (19.30): Computers in cars

"A Week in Politics"; Channel 4 (20.15): With Nick Ross

"Any Questions?"; BBC Radio 4 (20.45): with Norman Teocit MP, Roy Hattersley MP, Paddy Ashdown MP and Katherine Whitehorn