

23 June 1987

PRIME MINISTER

MAIN NEWS

Pace of economic growth accelerated during first quarter of this year but pound slides to below \$1.60 on new strength of dollar and profit taking.

Workshy teenagers who refuse job education and training to lose supplementary benefit, but Government considering a job search alternative to benefit.

Douglas Hurd urges SDP members to join Conservatives - SDP call it mischief making. Young SDPs want merger with Liberals.

Lord Hailsham attacks Bishop of Durham - and meddling of Left wing Bishops.

Some Conservatives said to be threatening revolt over rates reform.

Fred Astaire dead - many tributes.

EC Foreign Ministers decide Euro Council is not the place to discuss Community's current financial problems in absence of any prospect of agreement.

Boy, 11, convicted of murder of widow, has conviction quashed by Court of Appeal.

Four jailed - two of them soldiers and two arms dealers - for stealing and receiving anti-tank rockets which they intended for Northern Ireland.

Wealthy benefactor guarantees costs of those suing makers of Opren drug for damages.

British Airports Authority flotation announced yesterday - using "hybrid" technique of fixed price and tender.

TSB announces £220m takeover of life assurance and unit trust Target Group.

Three months old Civil Service strikes on verge of collapse after two main unions disagree.

GMBTU back idea of one man one vote for selection of Labour Parliamentary candidates.

TUC rejects application for membership from UDM which is prepared to open talks with British Coal on six-day pit at Margam.

BBC broadcast apology to Saatchi & Saatchi over Panorama allegations and pay damages; Saatchi director leaves suddenly.

BBC won, on average, twice as many election night viewers as ITN.

353 arrested on drugs charges at Glastonbury pop festival.

John Major warns colleagues not to come to him with "ingenious schemes" for more public spending.

Merseyside Community Relations Council say "Ron of the Rovers" comic strip is racist - and gets it in the neck from Star, Today.

Mail leads with allegation that dozens of parents claim they are being falsely accused of sex offences against their children in Cleveland - controversy to be raised in Commons.

Police in Chapeltown district of Leeds try to calm community after night of violence (Independent).

Star reports drug, sex and drink "orgies" in Downing Street - at the time of Anthony Barber as Chancellor.

Kohl declines to extradite TWA hijacker to USA - bows to threat to execute two kidnapped West Germans in Beirut.

President Chun, of Korea, softens line in face of rioting - agrees to meet opposition leader and to free protestors.

Mail says USA and USSR are working together to end Gulf war.

Telegraph leads with Royal Navy having greater freedom to shoot back at Iranian or Iraqi attackers who engage British merchant ships.

POLITICS

Sun leader says that two weeks after leading Labour into devastating defeat, Kinnock looks bouncy and self satisfied. But Socialists are squabbling like alley cats through which Kinnock smiles and says nothing. He is in a make believe world.

Daily News says Labour-led inner London Councils are playing into the Government's hands by their methods of accounting; Julian Critchley says Kenneth Baker is the Crown Prince of the Tory Party

and would narrowly defeat Foreign Secretary in any ballot for successor.

Express leader on rate reform has no time for Tory revolts. The argument for getting rid of rates has been strengthened over the years and if you cannot push through this measure in your first year with such a commanding majority you might as well abandon the revolution.

Telegraph says the replacement of rates by community charge was one of the clearest proposals in the Conservative manifesto and the Government must urgently educate its Backbenchers out of their naivety and with equal speed launch a campaign of public information to pre-empt misunderstandings and scare mongering.

Hugo Young argues in Guardian that there was no mandate in the election for the "poll tax".

Guardian leader on SDP/Lib fusion says both parties are in trouble and no one should underestimate the seriousness of the situation. They should merge and those who oppose merger are playing an unacceptably, myopic game with opposition politics.

Times P1 lead says Norman Fowler is planning to pay young to look for work and Government is rethinking its hard line on cutting benefits for up to 100,000 who refuse to accept work, training or further education. Mr Fowler to study Australian idea of giving young people a "job search allowance".

Times: Scottish Ministers dismiss devolution saying Scotland can expect no concessions to home rule.

Times leader discusses Government's privatisation programme, saying that with the latest offer of BAA, the Government and its advisers have made an imaginative attempt to achieve its diverse objectives more effectively.

Julian Critchley, in Times, discusses the possibility of Owen joining the Conservatives, saying as a politician he is a headmaster, just as you are a headmistress. Under Owen, the "old school" would stay in good hands, but concludes that his chances of leading the Tory party would necessitate a third world war - a high price to pay.

Robin Wight, in Times, looks at the north-south divide concentrating on the north-east. He discusses ways of overcoming the prejudice and removing the economic gap but says that first the region must stop thinking of itself as a failure and look at examples of either actual or potential success. If Government money were the answer, the problems of the north-east would have

been solved already. It has received £20bn, £1bn in the last year alone.

INNER CITIES

Mail says you are to chair a Ministerial meeting this week to hammer out plans to win millions of private money for inner city rescue.

Independent editorial favours Kenneth Clarke over Nicholas Ridley in his approach to requiring firms involved in inner city reconstruction to utilise local labour.

Times: David Trippier tells rebel councils that they must work with him to reap benefits of Conservative initiatives.

EDUCATION

Haringey parents vow, according to Mail, to be first to take their schools out of LEA control - and Mail leader says there are plenty of parents up and down the land for whom the Government's legislation cannot come too soon.

Times: South Thames College lecturer given written reprimand by ILEA after being found guilty by college governors of making a racist remark during a lecture that mugging was a crime committed disproportionately by black people.

HOUSING

Times: Rising house prices putting squeeze on first-time buyers and putting many out of market altogether.

HEALTH

Sun wants Lord King, "sell the lot" privatiser, to be given responsibility for the NHS and open its services to competition.

New Health Education Authority chief calls for three-year national strategy against smoking and criticises Government for not raising duty on cigarettes in last Budget and for not banning tobacco advertising (Times).

Times: Cocaine addicts being treated in London have more than doubled in a year.

Independent: Doctors call for licensing of private cancer screening.

Independent: William Rees Mogg on how official hierarchies are bad for the health service and cites US problems over introduction of new heart treatment drug.

INDUSTRY

Independent: Sainsbury plans car servicing venture for 30/40 of their out of town food stores.

Times: Big 4 bookmakers likely to have their dominant control of a new satellite service beaming horse and greyhound racing into betting shops broken up by OFT.

ECONOMY

Independent: Peter Jenkins discusses the stark threat of world recession and says that in Venice you changed tack and urged Chancellor Kohl to take expansionary measures to encourage growth, something you would not advocate for the UK.

MEDIA

Guardian leader on the troubled News on Sunday, says it let its shareholders down. Even before it started it became a parody of the worst Fleet Street excesses it was supposed to replace.

Independent: Four newspaper groups in the market to purchase "Today" newspaper, including Maxwell, Murdoch and Associated Newspapers.

ENVIRONMENT

Times says John MacGregor fuels long-running Whitehall battle by trying to wrest responsibility for rural policy from DOE.

DEFENCE

Lord Chalfont, in Express, on the dangers of a headlong rush into an arms agreement.

Independent: Richard Perle tells NATO conference that US would not tolerate for ever disparities in the US and European commitment to European defence.

EC

FT feature says you are undeniably a figure on the world's stage - not universally loved but widely respected and even admired. It suggests Europe is in need of your touch.

Times: EC close to deal on competitive prices on European air services.

MIDDLE EAST

Independent: Mr Peres will ask for backing for Soviet Middle East peace role.

BERNARD INGHAM