

28 July 1987

PRIME MINISTERPRESS DIGESTMAIN NEWSGULF

US defence chiefs order three minesweeping helicopters to Gulf to salvage US pride.

Times: Iranian threat to Kuwait for flying US flag; leader, under heading "Through a minefield" says US decision to reflag Kuwaiti tanker was always a high-risk operation but warns against panic and says retaliation would be unwise.

Independent: US attempts to recover from convoy fiasco; editorial criticises the use of an oil tanker as a mine sweeper and says that armed US intervention in the Gulf makes an end to the war less likely and increases the danger that the war will spread.

GOVERNMENT POLICY

Worst construction - deadlock, split and row - put on failure to settle community charge introduction yesterday; but Guardian says Ministers agree on a compromise four year phase-in.

Nicholas Ridley launches Black Country Development Corporation - £160m plan to revive area and create 20,000 jobs.

Norman Fowler announces "no work no dole" programme for under 18s will come into force in autumn next year; Today says YTS is a far better option than leaving youngsters to moulder; Express takes Mr Fowler to task for saying we have seen the end of youth unemployment.

John Patten announces that City fraudsters will be treated as harshly as bank robbers under new laws.

INDUSTRY

Today says swamped stockbrokers are threatening success of Government's privatisation programme and more especially BP sale.

Telegraph says B/Telecom is threatening to become an embarrassment to the Government which (none too soon) is looking for ways of breaking it up.

British Coal to announce £300m deficit today with warning to men that they will be cutting their own throats if they follow Scargill. Mirror says privatisation of coal will start next year with open cast.

Tourist industry creating 50,000 jobs a year - 23% increase in last 10 years to 1.4m; most of jobs in North. Express says it is time we woke up to fact that tourism is our business as well as that of Spain and Greece.

UK to get £144m EC money for training and job creation.

Engineering employers and unions agree to cut working week by one-and-half hours in return for increased flexibility.

C & J Clark, shoe manufacturers, to double capacity at Bath.

Times: Belgians may prosecute those blamed for Herald of Free Enterprise capsized.

Times: Government planning to review aviation policy following controversy caused by proposed BA/B.Cal merger.

Independent: Austin Rover could lose body panel contract for Jaguars.

Independent: Cable and Wireless's Japan merger plan at stalemate.

Independent: Name-the-Governor is a game that has begun almost a year before Leigh-Pemberton's first term ends. You will not delegate the appointment.

FT: GEC buys Gillaro of US in £250m deal.

FT: Virgin Atlantic supports merger of BA and B/Cal.

FT leader says EC's latest proposals for tackling steel crisis looks suspiciously like a recipe for yet another fudge. The proposed system of levies would further distort the market by penalising efficient producers enjoying buoyant domestic demand.

MEDIA

FT: BBC will tomorrow announce details of commissioning 100 hours of television programmes from the independent production sector.

ECONOMY

Times: City's fears over economy reflected in further market falls. Government stocks drop sharply while shares and pound also weaker.

Independent: Financial markets jittery over fears of interest rates rise and serious settlement problems some City firms are having.

FT: Bond market falls to its lowest level since February as concern about higher inflation and a deterioration in the trade balance continue to dominate the market's mood.

Independent: Peking to have China's first custom built Stock Exchange.

LAW AND ORDER

Pirate radio operators terrorising Government engineers trying to track them down - John Butcher.

Labour MPs, led by Clare Short, attack judges for their attitude to rape cases.

William Rees Mogg, in Independent, says Spycatcher "is a product of a mind conditioned by methods of deceit". Resentment has led Wright to do as much harm as possible.

Times: Three children alleged to have been sexually abused while in council care in Cleveland have been moved to a hospital ward.

Independent: Judge will rule in Cleveland child cases this week.

Times: Howard League opposes prison building expansion as they say it got in way of bail and sentencing reforms. Separate story says Prison Reform Trust doubts whether the extra prisons will go far enough to deal with underlying causes of tension in jails.

Times leader says Home Secretary's decision on Guildford and Woolwich pub bombing is overdue. Referral to Court of Appeal must not be delayed much longer.

Independent: Home Office has no immediate intention of enforcing deportation order against Tamil who has taken refuge in a Manchester church.

LOCAL GOVERNMENT

Manchester's Left wing council end their defiance of Government and agree to cut spending by £110m.

Southwark's rent arrears rise by £3m to £28m since a crackdown against them was launched 18 months ago.

DEFENCE

Air Vice Marshal Robson quits after rejection of his report recommending top RAF pilots should be left flying rather than given desk jobs.

91 year old former MI5 Director General backs claims that Sir Roger Hollis was Soviet agent - (Telegraph).

Independent: Admiral Hill-Norton to fight "bar" on short fat frigate.

EDUCATION

General Secretary of Professional Teachers' Association says 10% of teachers are incompetent and should be sacked.

Times: Head Teachers call for children to be taught something about being a parent before they leave school. They have also asked Government to scrap three term year.

PEOPLE

Sun critical of Lord Chancellor attending Jeffrey Archer's party last Sunday.

More speculation about Dissolution Honours and rewards for "wets" - and an hereditary peerage for Sir Keith Joseph. Express says a bitter row has erupted over the delay with Tories and Labour blaming each other; Telegraph feature asks whether you tried to revive "the lavender list".

INTERNATIONAL

2 British holidaymakers die in Greek heatwave.

Relatives of those who went down on Titanic describe French bounty hunters in the wreck as "grave robbers"; Express calls them "ghouls of the deep".

Zimbabwe wavering on brink of severing trading links with South Africa (Times).

Tom King warned Government of intensified IRA campaign against troops and police.

Israel seeking deportation of Geccas, alleged war criminal from Edinburgh.

RATES

Sun says Cabinet was in turmoil last night after again failing to sort out practicalities of community charge; leader says Sun's survey shows that most people have not the faintest idea how community charge would work. Yet the basic idea is a good one. It comes out against phasing.

Mirror: Poll tax in new setback.

Today: Deadlock on poll tax.

Express: Cabinet is split over poll tax.

Mail reports that 7m families will face a 20% rise when the community charge replaces rates and 3m an 80% rise, according to findings of a local government finance expert in report to Durham County Council.

Telegraph: Ministers divided on poll tax method; Michael Howard contributes a feature on why community charge would be fairer than rates.

Guardian leads with 4-year timetable for switch to poll tax - Ministers agree on compromise.

Times: Government still to decide how long it will take over phasing in community charge. Ministers expected to settle on three years.

Independent: Government to introduce poll tax in annual stages.

FT: More work on poll tax ordered.

POLITICS

Sun says Labour MPs are freezing out Livingstone and other London Left MPs.

Times: Steel will enrage anti-merger Social Democrats tomorrow night by using a Liberal Party political broadcast to make the case for merging the two parties.

Times leader discusses plans for giving Ministers severance pay when they lose their jobs. While recognising there are certain anomalies in the parliamentary pension system, it says it is hard to shed tears over some of the privations which are said to have moved the Government to open up this question.

NORTHERN IRELAND

Conor Cruise O'Brian, in Times, attacks you for undermining the Union both in Northern Ireland and Scotland saying the weakening has been due mainly to your policies and, no less important, your personality and style.

SRI LANKA

Independent: Crisis looms in Colombo over Tamil peace offer.

MALAYSIA

FT leader's verdict on Dr Mahathir's visit: after a week of public invisibility he left with some important fences mended.

EAST/WEST

Independent: Shultz meets Soviet Ambassador in Washington amid increased signs of progress on arms control.