

PRIME MINISTER

MAIN EVENTS

Prime Minister meets National Pensioners Convention

Prime Minister attends a reception at Buckingham Palace for the winners of the 1987 Queens Award for Export and Technology

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STATISTICS

CBI: CBI/FT Survey of distributive trades (Feb)

DTI: Provisional figures of vehicle production (Feb)

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PUBLICATIONS

Treasury and Civil Service Commission: Third report on the European Commission's Proposals on the Approximation of Indirect Taxation

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PARLIAMENT

Commons

Questions: Treasury; Home Office; Prime Minister

Business: Regional Development Grants (Termination) Bill: Remaining Stages  
Consolidated Fund (No 3) Bill: All Stages  
Afterwards, debate on subjects raised by Members

Adjournment Debate: The future role of Western European Union (Mr J Hill)

Select Committees: COMMITTEE ON A PRIVATE BILL  
London Docklands Railway (Beckton)

Lords: Starred Questions  
Copyright, Designs and Patents Bill (HL): Report (4th Day).  
Social Security Bill: Third Reading  
Draft Veterinary Surgeons Act 1966 (Schedule 3 Amendment) Order 1988. Motion for Approval  
UQ to ask HMG what benefits they expect to accrue to the United Kingdom economy from World Expo 88 to be held in Brisbane.

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PRESS DIGESTMAIN NEWS

News today dominated by two letters - Queen Mother's about the closure of a hospital ward in Welsh hospital she opened eight months ago; and your letter to Kenneth Baker about testing in schools.

Whitehall "mole" being hunted. Jack Straw says correspondence shows major rift between you and Kenneth Baker. Downing Street play it down.

Tory MPs worried about the Queen Mother becoming involved in politics; Anthony Beaumont-Dark says she is being used.

Three IRA terrorists killed in Gibraltar to be flown home this weekend to heroes welcome and show funeral. Fourth member of gang did ground work for the attack with reconnaissance missions to Gibraltar. Telegraph says Irish Republic will crack down on military style funeral.

You thank Spanish police.

Mail says the SAS have been ordered to give evidence at inquest by Coroner.

Star leads with allegations of mutant fish riddled with warts and tumours and deformed as a result of Sellafield pollution in the Irish Sea. It complains officialdom has reacted with bland complacency.

Marplan poll in Guardian gives you 4 point lead - 45/41/12.

Times: Panamanian Ambassador again summoned to FCO and given deadline of 5pm today to waive his immunity or face expulsion.

FT: The pound continued to rise sharply yesterday as the CBI and the Association of British Chambers of Commerce strongly criticised the Government's decision to let pound rise above DM3.

Nicholas Ridley cracks down on creative accounts and leasebacks by hard Left councils - "Town Halls taken off market" - Today.

Michael Heseltine warns of explosive sense of injustice if long term unemployment allowed to continue. Claims that unemployment will fall are deceiving voters, he says.

Kinnock said not to have got a single handclap at end of speech to Parliamentary Party after defending "Aims and Values" policy



statement. Labour MPs describe his speech as "waffle" and call him "Eagle Eddie, a brave loser".

20-strong Select Committee named to examine televising of the Commons and report.

Paul Fox, Chairman, ITN, takes pay cut to become managing director of BBC TV. Power battle expected with John Birt. Today says appointment points to extraordinary shortage of talent at BBC.

Seven directors of Vosper Thorneycroft who invested £22,000 each in company two years ago, now millionaires as city institutions buy up 25% of it.

EC clears way for B.Airways/B.Cal merger. B/Midlands and Air Europe welcome curbs to protect smaller independents.

First sign of restiveness with Rover strike - 250 attend mass meeting at which 60 vote to return, but this is seen as a flop.

BR to seek court ban today on 24 hour strike by King's Cross drivers in support of NHS.

British Coal to impose 4% pay settlement, without back pay, on NUM which meets today.

Two more pits to close in Yorks and Notts.

Gas Consumers' Council says complaints against British Gas have fallen since privatisation.

Lord Young says trade with Japan should double over next three years.

Sir Kenneth Berrill lays blame for complexity of new City self regulation regime on Government.

ESRC to conduct AIDS research programme among 5000 young people.

Mirror says crime prevention campaign, launched yesterday, is a useful start and the booklet issued as part of it required reading for all who care for their neighbours.

You have banned gobbledegook in official letters - issue of Plain Words guide to Civil Service. But Mr Ridley demonstrated his famous independence of mind with his Commons Statement (Telegraph).

Police called to Hackney Town Hall after dozens of squatters invade meeting and attack councillors; housing chairman beaten.



Bishop of London urges Lesbian and Gay Christian Movement to pack up and go.

Bush confident of becoming next President of USA.

Soviet air stewardess and 3 passengers killed when hijackers tried to take over Aeroflot airliner in Siberia. Two hijackers dead.

#### QUEEN MOTHER'S LETTER

Sun leader complains of a right royal merry go round with letter being passed from Tony Newton to John Moore to Peter walker to Ian Grist. Good for the Queen Mum. She shows her interest does not end when the red carpet is rolled away.

Mirror leads with picture of Queen Mother and letter with words "Sad, upset, distressed" - now even Queen Mum joins fight against NHS cuts.

Mail leader says the Queen Mother doesn't understand why this should happen. Nor does country at large. If her "distress" which has been made public is causing embarrassment to those in authority, well and good.

FT: The Royal Family found itself suddenly embroiled in the murkier depths of politics yesterday after it admitted that the Queen Mother had sought information from the Government on the closure of a hospital ward in South Wales.

#### EDUCATION LEAK

Mirror: Thatcher's fury at school leak.

Express says Whitehall fears source of leak is top official in DES. Earlier an official - Ministers assume it must be the same person - leaked details of a scheme to make students take out loans. Kenneth Baker denies any difference with you.

Mail: Explosive "who dunnit" row brewing. Sabotage may have been carried out by friends of either Kenneth Baker or yourself to put the other on the spot. No 10 says letters show a healthy argument is going on.

Independent P1 lead: "PM criticises Baker's plans to test children". Downing Street launched an inquiry last night into the leaking of a private letter from your office criticising DES plans for testing children. It brings into the open disagreements



which have been simmering between the DES and No 10 for several months. Text of the letter reprinted.

Times: Your letter to Kenneth Baker reveals sharp policy rift. It shows your deep antipathy towards the formula put forward by him.

#### EDUCATION

Express welcomes Kenneth Baker's inquiry into school discipline. If he believes heads hold key to restoring discipline in schools he has no choice but to allow them all the powers they need.

#### IRELAND

Sun leader says that while Haughey is "gravely perturbed" over shooting of 3 IRA terrorists it is perturbed that his citizens are roaming the world trying to blow up innocent people. And the Irish could arrest Evelyn Glenholmes at any time. When the republic stops exporting terror there will be no more dead terrorists - or victims. Cheeky Charlie should be gravely ashamed of making political capital out of tragedy.

Today says Ulster authorities must not let burial of three Gibraltar terrorists be turned into an IRA triumph. The only fitting accompaniment to the prayers of a priest will be a word of condemnation from Haughey.

Independent: The first inkling police had of the IRA's Gibraltar plot was last November when Spanish police ran a routine check on a suspicious Irish tourist.

Times: Military explosives used in the Gibraltar attempt believed to part of the Libyan supplies getting through before the Eksund seizure. Inquest now expected to be held in May with members of the SAS team giving evidence.

FT: Spanish and British police had been tracking the three IRA members killed in Gibraltar for more than five months, the Spanish Interior Ministry said.

#### RESTRICTIVE PRACTICES

Express leader commends you for setting about cosy, restrictive practices in the professions, having reformed the unions. Naturally the professions will fight tenaciously to preserve their privileges. But you must press on - you have little excuse for not doing so since you have the public and the Commons behind you.



Times leader gives broad welcome to Green Paper proposals which it says are clearly in the public interest. As most of those professions likely to be affected are historically Tory supporters, the proposals say much about your political courage. They also reflect the confident mood in which you have embarked upon your third term in office.

Guardian says if the Government attacks professional and other privileged with the fervour it has shown our middle class fiscal privilege the professions need not lose any sleep. But if you are serious - and there is no reason to doubt your intent - this will move Thatcherism into a new and more volatile political arena.

### UNIONS

Independent: West Glamorgan Labour-controlled council has refused to replace Polish ferrymen, said to be earning £15 a week, with British seafarers on union rate.

### INDUSTRY

FT: Channon presses for privatisation of more ports. It was high time the public sector of the industry took a close look at the benefits of privatisation.

### LOCAL GOVERNMENT

Independent: Hundreds of police backed council bailiffs in evicting more than 370 squatters, including families and young children, from a North London estate.

Independent: A final attempt in the Commons last night to water down the proposed prohibition in Clause 28 of the Local Government Bill was defeated.

### NHS -

Independent: Ten members of the Royal Commission which studied the reform of the NHS in 1979 reunited yesterday to warn the Government that alternative funding would not solve the NHS crisis. The Commission members had concluded that it should remain funded from taxation.

Times: King's Fund Institute warns against untried and untested proposals for radical reform of NHS and calls for immediate cash injection of £400m.



FT leader analyses the different recipes for reform of the NHS and concludes that the insurance option, advocated by the hard right, is a blind alley. At the end of the day, the Government will have to accept that the scope for individual choice and free markets in health is limited. Better management rather than uncontrolled competition should be the priority.

#### MEDIA

Independent: LWT will this month announce a far-reaching programme of job cuts and changes including compulsory redundancies among its 1,600 workforce.

Times: Independent report commissioned by ITV companies warns of high ITV losses if it does not face up to satellite competition and if the Chancellor imposes a levy on advertising revenue. Channel 4 is hived off and an advertising-funded fifth channel is started.

FT: Britain's commercial television companies could be losing as much as £550m a year by the end of the century unless further steps are taken to reduce costs or increase revenues said the National Economic Research Association.

#### LAW AND ORDER

Independent: Centralised data bases to trace terrorists across Europe and a plan for a Euro-wide priority search system are among the latest proposals being considered by the Trevi Group.

Guardian says only one message is missing from the crime prevention campaign - the reduction in crime which a cut in unemployment would achieve.

#### ECONOMY

Times: Department of Employment increases its projection for growth in labour force up to 1995, with a larger proportion of workers being women. Leader analyses these trends and concludes that unemployment will continue to be a major challenge. Earlier retirement can only nibble at the edges of the problem. The best prescription for a continued reduction in numbers of jobless is a strong economy.

FT: Samuel Brittan says although he does not like agreeing with industrial pressure groups, he is afraid that the CBI had it spot on when they said that the decision to let sterling soar against



the D-Mark presented a serious threat to British industry. You knew that by uttering your remarks when you did, you would be seen as trying to destroy the whole of the Chancellor's carefully constructed exchange rate strategy.

#### CIVIL SERVICE

FT: Civil Servants have a primary duty to their minister rather than to Parliament, Sir Robin Butler told MPs yesterday.

#### DEFENCE

Times: Commons PAC meeting condemns £4bn defence budget overrun on new defence equipment.

#### EC

Times: West Germany on VAT collision course with Britain - speaking to European Parliament, Chancellor Kohl puts VAT harmonisation issue at top of European agenda for rest of German Presidency, in a move which is certain to antagonise you.

#### CHINA

Times leader looks at the similarities between Hong Kong and Tibet, against the background of today's visit of the Chinese Foreign Minister, and warns the Government not to compromise Hong Kong's interests in order to placate the Chinese.

#### FALKLANDS

FT: A war of words has broken out between Argentina and UK in accusations over Falklands military exercise.



MINISTERS (UK VISITS, SPEECHES ETC)

DEN: Mr Parkinson addresses the Westminster Industrial Brief conference

DES: Mr Baker opens and Mrs Rumbold and Mr Jackson attend, Royal College of Arts Exhibition Road Exhibition

HO: Mr Hurd addresses Cambridge University CA and Union

SO: Mr Rifkind attends and Lord Sanderson addresses dinner of Scottish National Farmers Union, Hospitality Inn, Glasgow

WO: Mr Walker attends Financial Times Centenary Dinner, Bristol

CO: Mr Luce starts two day visit to Royal Mint and various arts institutions in Wales

DEM: Mr Lee attends the Catering Equipment Manufacturers Association, Golden Jubilee dinner, Grosvenor House

DEM: Mr Cope attends CBI Non-Statutory Training Organisation conference, London

DES: Mr Jackson addresses the Association of Colleges of Further and Higher Education annual general meeting, Royal Aeronautical Society

DHSS: Mrs Currie visits Royal College of General Practitioners, Clinical Research Unit, Leigh, Lancs; later visits Community Research Unit, Wigan

DHSS: Mr Portillo attends Greater London Area Council, Westminster Cathedral Conference Centre

DOE: Mr Tripper visits Nottingham (inner cities)

DOE: Mr Moynihan attends British Olympic Appeal launch, London

DTI: Mr Butcher attends 1987 Queen's Award Reception, Buckingham Palace

DTI: Mr Clark attends Sourcing in Britain dinner, Leeds

HO: Mr Renton visits Latchmere House Remand Centre, Richmond

MAFF: Mr Gummer attends ADAS European Year of the Environment, Woodland and Forestry Week, Farm Woodlands Conference, York; later dines with Cumbria Society, Cumbria College of Agriculture, Prospect Hill Hotel, Penrith

OAL: Mr Luce visits Royal Mint and various arts institutions in Wales (to 11 March)

SO: Mr Forsyth opens Central Institutions National Careers Exhibition, Ingleston

WO: Mr Roberts attends Anglo-German Chamber of Industry and Commerce dinner, Cardiff

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MINISTERS (OVERSEAS VISITS)

DTI: Lord Young visits Japan (to 17 March)

DTI: Mr Clarke attends AIRBUS Ministerial meeting, Brussels

MAFF: Mr MacGregor visits USA and Canada (to 20 March)

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MINISTERS (PRESS INTERVIEWS)

MOD: Mr Younger appears on Question Time BBC 1, 20.00

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TV AND RADIO

"Today": BBC Radio 4 (6.30)

"Daytime on Two": BBC 2 (10.38) 'Getting to grips with racism' How the media represent black people (first shown on Tuesday).

"Business Daily": Channel 4 (12.00)

"You and Yours": BBC Radio 4 (12.00)

"The World at One": BBC Radio 4 (13.00)

"The Parliament Programme": Channel 4 (14.00)

"P.M.": BBC Radio 4 (17.00)

"The Sharp End": Channel 4 (18.30) series about work

"The Education Programme": BBC 2 (19.30) Pupils have their say on the education system.

"Out of Court": BBC 2 (20.00). Credit can lead to debt and even prison.

"Analysis": BBC Radio 4 (20.15) 'Adam Smith's Children' - can Scotland rebuild its economy?

"Nature": BBC 2 (20.30) investigates river pollution.

"This Week": ITV (20.30)

"Question Time": BBC 1 (22.00) with Merlyn Rees, George Younger, Harold McCusker MP, and Nuala O'Faolain.

"The City Programme": ITV (22.35)

"The World Tonight": BBC Radio 4 (22.30) followed by "The Financial World Tonight" then "Today in Parliament"

"Newsnight": BBC 2 (22.45)

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FROM: G R WESTHEAD  
DATE: 9 March 1988

MR TAYLOR - COI

cc PS/Chancellor  
PS/Paymaster General  
PS/Chief Secretary  
Mr Anson  
Miss Peirson  
Miss C Evans  
Mrs Wiseman  
Mr R I G Allen  
Mr B Ingham - No.10

DES/IDEAL HOME EXHIBITION : POSSIBLE PAC REFERENCE

The Economic Secretary has seen and was very grateful for your minute of 8 March. He thinks - for the time being at least - that we should keep a low profile on this.

*Guy Westhead.*

GUY WESTHEAD  
Assistant Private Secretary

*Maggie visited on 23 March.*

*attached to 10/03/88 Bundle.*