

15 March 1988

PRIME MINISTER

MAIN EVENTS

Budget Day (Labour Party's "Budget Day is NHS Day")

The Queen holds an Investiture at Buckingham Palace

HCDC visits Faslane and Coulport

Anglo/French procurement conference, Paris, for sea systems

Institute of Education (University of London) International Conference on Education and Development: Sharing our Experiences, London

Trial in USA of David Jenkins on drugs charges

STATISTICS

CSO: Index of output of the production industries (Jan)

PUBLICATIONS

DEM: MSC Labour Market quarterly report

HMT: FSBR and other budget documents

NIO: Proposal, Draft Fisheries (Amendment) Order

PARLIAMENT

Commons

Questions: Education and Science; Defence; Prime Minister

Business: The Chancellor of the Exchequer will present his Budget. When the Chancellor sits down, the question will be put on a Motion to give provisional effect to any changes in taxation and duty levels, if required
Budget Debate (1st day)
EC Documents relevant to the Budget will be shown in the Official Report

OPPOSED PRIVATE BUSINESS

British Railways (No 2) Bill

British Railways (London) Bill (Lords)

PARLIAMENT (Cont'd)

Adjournment Debate: The siting of lock-out posts in Newry and Armagh (Mr S Mallon)

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

Lords: Starred Questions
Licensing Bill: Committee
Financial Services Act (Extension of Scope of Act and)
Meaning of Collective Investment Scheme) Order 1988)
Financial Services Act 1986 (Investment) Motions
Advertisements) (Exemptions) (No 2) Order 1988) for
Financial Services Act 1986 (Delegation) (No 2)) Approval
Order 1988)
Financial Services Act 1986 (Stabilisation))
Order 1988)

MINISTERS - See Annex

PRESS DIGESTMAIN NEWS

Times expects Chancellor to seek an assurance from you that you will never again publicly overrule a central plank of his economic policy, relying apparently on the Chancellor's close colleagues.

The FT discounts this, saying he sees no interest in raising the temperature.

Meanwhile, you are said to have offered the Chancellor an olive branch, though how is not clear and Mirror even says you are going to allow him a free hand.

And the Guardian portrays the Treasury attempting to reassert the Chancellor's authority, claiming victory in dispute with you.

Sun's main story is that Chancellor gives Queen £3,300 a week pay rise; Today makes it £4,000.

Some speculation that a cut in interest rates will follow Budget as market moves down.

FT: Proposals for harmonising elements of national corporate tax systems with the Community have been agreed by officials in Brussels. Lord Cockfield is expected to ask for Commission approval as early as Easter.

NHS strikes stop operations at the London Hospital; but Mail says yesterday's protest day ended in shambles.

Harris poll of nurses shows 9 out of 10 nurses would give up tax cuts in favour of more money for NHS.

Express leader says there is an easy way of satisfying all those who want to forgo tax cuts for more NHS spending - Chancellor should open a special account at DHSS.

Sun leader, picking up John Redwood's claim that 10% of NHS staff are bureaucrats, says if only half of it were disbanded think how many hospital wards could be opened again.

P&O to sack 2,300 ferry strikers today and offer some of them new contracts.

Nissan to establish a design centre in Britain, employing up to 150, to back up Washington.

IRA gunman shot dead last night as bodies of 3 IRA Gibraltar bombers reach West Belfast; sniper shot dead as he opened fire on troops.

Guardian says UDA has vowed to assassinate individual members of the IRA "to bring the Association back to the forefront of the defence of the Province".

Express says it was thoroughly misguided of BBC to stop broadcasting anti-terrorist hot lines in Northern Ireland; decision to reconsider ban is a welcome sign BBC recognises it can't be neutral over terrorism.

Kenneth Baker urges companies to set up classes in 3Rs to help 6m adults who cannot read or write properly. Mail leader says one of the Government's key reforms - written tests - now commands massive support.

Royal Society says students face a bleak future unless better maths teachers are recruited.

NUT threatens work to rule in dispute over pay for compiling GCSE maths.

More prison officers on the brink of industrial action about overcrowding; number of prisoners in police custody highest since 1980.

Government cuts flow of immigrants to post war low by tight controls (Express).

Pregnant mother and 3 year old twins killed when Land Rover with dead driver at wheel, killed by heart attack, ploughs into them in Oxford.

Trading Standards officers to be able to raid video shops and seize nasty movies; Mirror warmly welcomes move.

Bradford teacher who told pupils about his homosexuality given sack.

American airmen at Lakenheath have complained to BBC about play Airbase which depicted them as alcoholics and junkies. Lord Chalfont wants BBC to apologise for screening it. You have asked for a video of it.

NUJ object to Penguin distributing "Liyyle Black Sambo" book on grounds it is racist.

UK Government pleads for clemency for 6 blacks due to be hanged this week for their alleged part in Sharpeville riot which resulted in death of deputy mayor.

EC survey claims our beaches are filthiest in Europe.

Waldheim to be "tried" on Channel 4 for four hours - described by Sun as "a triumph for British TV producer Jack Saltman".

Shamir runs gauntlet of Arab protests for his policies during visit to USA.

BUDGET

Star leader urges Chancellor not to clobber people's simple pleasures by imposing heavier taxes on drink and tobacco. He should find some other target like scrounging gypsies and super rich "who don't pay a penny in taxes". Give real workers a break.

Sun, apart from concentrating on Civil List, says you will try publicly to heal your rift with Chancellor at Question Time today - best Chancellor this century; leader headed "Hands off our money" says it will not be a give-away budget; it will be a take-away Budget because the first fact to remember today is that Chancellor has to decide how much to take from us. Its our money so hands off.

Mirror: Thatcher loses £ row. She allows Lawson to have free hand. He has extracted personal assurance from you that he has a free hand in controlling exchange rate policy.

Today leader tells returned tax exiles like Michael Caine to stop whingeing and whining because \$ has fallen against £.

Express: Maggie heals Budget split with Lawson - you will bury your differences today in a show of unity at Cabinet.

Mail leads with Super Tuesday for Chancellor but Ministers fear too many are expecting too much. News feature on Brian Griffiths the man who brands inflation as a sin. Leader says Mail is looking forward to a tax cutting, tax reforming Budget because men and women have earned it by working more efficiently and because throughout the 1980s there has been a consistency and prudence in the management of the nation's finances unparalleled in post war Britain. The problems now are the problems of success.

Telegraph leads with "Chancellor gets olive branch from Thatcher". You are anxious to play down the extent of the differences and to clarify your comments last week. Chancellor is understood to have

received assurances from you that he will not be publicly overruled. Meanwhile rising excitement in the City at prospect of Budget and rising concern among some Ministers that expectations are so high that some people will be disappointed.

Independent: Lawson to assert role on pound. Chancellor said to be confident his position would be vindicated after his budget speech. Tory MPs equally divided over whether he or you are right in the argument. You are said to be preparing to use the Conservative Council conference in Buxton on Saturday to tell the world who is in charge. Peter Jenkins, in commentary, says the Chancellor appears as protagonist in the unseemly row which many see as over personality rather than policy. He says the real argument is not about intervention or non-intervention but about the degree of intervention.

Times leads with Chancellor warning you over interference and his being expected to seek an assurance from you that you will never again publicly overrule a central plank of his economic policy. Close colleagues believe it unlikely he will stay as Chancellor much longer without such an undertaking; Conservative MPs angry that dispute has been allowed to run on and overshadow what would otherwise be a triumphant day for Mr Lawson.

Geoffrey Smith, in Times, says what we have been witnessing is a tussle over policy between PM and her Chancellor, not a chapter in "The Making of the Next Prime Minister".

Tim Congdon, in Times, says Mr Lawson's main task today is to halt the boom. He must moderate the growth rate to the 2.5-3% level that can be comfortably maintained over the medium term.

Guardian leads with "Sterling win claimed by Treasury". Like Telegraph it has a feature on Brian Griffiths who, it says, "is being fingered as the Svengali figure behind last week's falling out". Leader says you have done better than some of your predecessors in refusing to let the alternative source of advice from your policy unit be suppressed or snuffed out by Whitehall jealousies. But if Chancellor, with his reputation for delivering success, can't stand up against you, who can?

NHS

Independent: Royal College of Physicians to re-orientate its research unit towards monitoring clinical and economic performance of doctors. It is also creating a working party to draw up guidelines on medical audit as part of major effort to monitor cost-effectiveness of treatment.

Times: Although strikes were limited to 15 London hospitals and a handful throughout country, operations were cancelled in some areas because of staff shortages; President of Royal College of Physicians says Britain is near bottom of industrialised world health league and it will be a disgrace if Chancellor does not give health service a huge Budget cash boost; Harris poll for RCN of 644 nurses shows 48% would vote Labour compared with 36% last June.

Times: Bloomsbury Health Authority plans to cancel routine operations at all its hospitals to try to save £10m.

POLITICS

Times: Senior Conservative Party officials urge young Conservatives to end their bitter and politically damaging feuding.

FT: Select Committee on Members' interests rejects public declarations of MPs' financial interests but agrees on fuller statement of directorships held by MPs.

ENVIRONMENT

Telegraph backs Michael Heseltine in his concern for countryside in South of England and says protecting it is a road straight to the heart of the Tory Party.

Independent leader looks at Heseltine's "audacious attempt to influence" Nicholas Ridley in his open letter about the Home Counties, and concludes that the Government should not abandon its scepticism about the virtues of an interventionist regional policy. However in addition to reclaiming derelict land in the Midlands and North, it should pursue similar policies in Southern towns and cities and so halt the flight to the countryside.

Guardian critically examines Heseltine's performance as Secretary of State for the Environment and thinks that, while he is in no position to cast stones, he is right. The SE countryside is being ravaged.

THE ARTS

Independent: Britain's best known national art galleries and museums, including the British Museum and the National Gallery,

likely to be hived off from Government control and encouraged to charge entrance fees, employ their own staff and develop sponsorship deals with industry.

EDUCATION

Times: Bedford School being sued for damages by former pupil who received crippling spinal injury playing rugby.

FT leader says Government should now press ahead and publish its proposals for introduction of student loans. They were floated in the election manifesto and would be consonant with philosophy of reducing dependency on taxpayers' money.

LOCAL GOVERNMENT

Times: Abolition or dismemberment of county councils looks certain if you are returned for fourth term.

INDUSTRY

Independent: New report from Runnymede Trust says black workers are no better off than they were before the Race Relations Act became law 20 years ago. It calls on the Government to adopt positive discrimination policies, particularly on contract compliance in the inner cities.

Times: Blow for BAe as Japan's foreign minister pours cold water on hopes of a breakthrough sale of jet airliners.

Times: Land Rover considering legal action against pickets.

Times: UK firms win Far East power station contracts worth £200m.

FT: Neil Kinnock writes to you calling for assurances received from Kuwait Investment Office over BP share purchases to be spelt out.

FT leader argues for privatisation of British Coal to follow that of electricity. Under present proposals, it argues, the Government is in charge of producing a lop-sided hybrid, with generating companies under strong pressure to improve profits by obtaining cheap coal supplies from abroad. The dispute between SSEB and British Coal highlighted the close integration of many of Britain's largest power stations with their associated coal mines.

ECONOMY

FT: Scottish economic growth 'improving', according to Fraser of Allander Institute, which predicts 2.9% growth this year.

LAW AND ORDER

Independent: Family of man stabbed to death two years ago in London to bring private prosecution for murder after failure of Crown Prosecution Service to act on police murder charge.

Times: Government officials admit new law sweeping away legal disadvantages for illegitimate children fails to conform with changes ruled by European Court of Human Rights.

IRELAND

Independent: Ministers postpone the introduction of a Bill aimed at forcing Sinn Fein councillors in Ulster to reject IRA terrorist tactics.

DEFENCE

Times leader looks at MoD's evidence to PAC and the recent NAO report on the Royal Dockyards saying the MoD's promises of good conduct increase in volume but the cost overruns and the signs of managerial slackness abound.

AFGHANISTAN

Independent: Confusion reigns at Afghan proximity talks in Geneva on eve of peace deadline as Pakistan puts forward some modifications to its demands over interim coalition government in Kabul.

EAST/WEST

Times: Soviet Union to move submarines to European waters to compensate for eventual withdrawal of all land-based intermediate range weapons.

Times: President Reagan says US would go ahead with phased deployment of SDI when ready.

Independent: US sources say Reagan-Gorbachev summit will take place in Moscow between 26 and 30 May. But it is now considered a near impossibility that a 50% cut in strategic arms will be ready by then.

MIDDLE EAST

Times leader says no plan for international conference can succeed unless US and Soviet Union concur on the essentials of the agreement they would like to see.

BERNARD INGHAM

MINISTERS (UK VISITS, SPEECHES ETC)

- HMT: Mr Lawson takes Budget Statement, preceded by photocall in St James's Park with family and Tigger the dog
- HO: Mr Hurd addresses Royal College of Defence Studies
- DES: Mr Jackson meets Simon Mills, Chairman of the Council of Complementary and Alternative Medicine, about bogus degrees; later lunches with the Standing Conference of Principals of Colleges for Higher and Further Education at the Royal Institute of British Architects about the progress of the Education Bill and the Poly Central Funding Council; later attends lecture by Professor McCraw, London School of Economics
- DHSS: Lord Skelmersdale opens new extension to Queen Mary's Hospital Pathology Unit, Bexley
- DOE: Mr Moynihan attends Festival of the Cheltenham Gold Cup, Cheltenham
- DOE: Mr Trippier addresses British Property Federation dinner, Leeds Castle, Kent
- FCO: Mr Eggar addresses launching ceremony of EXPO '88, QEII Conference Centre, London
- MAFF: Mr Gurner visits Centre for Management in Agriculture, Plumton Agricultural College
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MINISTERS (OVERSEAS VISITS)

- ODA: Mr Patten visits Sri Lanka and Nepal (to 23 March)
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MINISTERS (PRESS INTERVIEWS)

- HMT: Mr Major appears on BBC TV Newsnight
- HMT: Mr Lamont interviewed by ITN and BBC
- HMT: Mr Brooke interviewed by BBC Radio 4 and BBC Local Radio
- HMT: Mr Lilley appears on Financial World Tonight
- WO: Mr Roberts gives Welsh language interviews on the Budget for S4C, Welsh Channel 4 and Radio Cymru
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TV AND RADIO

"Today": BBC Radio 4 (6.30)

"Daytime on Two": BBC 2 (9.20) 'Inset TVEI' - series discusses the implementation of TVEI

"Daytime on Two": BBC 2 (11.35) 'Getting to grips with racism' looks at teaching methods in schools

"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) covering both Houses of Parliament

"Budget Special with Jimmy Young": BBC Radio 2 (15.00). Includes analysis by Dominick Harrod

"Budget 88": BBC 1 (15.00) A "Newsnight" special

"Budget 88": ITV (15.00) Coverage by ITN. Includes interviews with Sir John Hoskyns of the IOD and Rodney Bickerstaffe of NUPE

"The Budget": BBC1 Radio 4 (15.15). Includes analysis by Norman Tebbit, Bryan Gould, and Malcolm Bruce

"PM": BBC Radio 4 (17.00)

"Reporting London": ITV (19.30) Details not available at time of going to press

"The Media Show": Channel 4 (21.00) How do the press cover Royal visits?

"Budget 88": BBC 1 (21.30) and BBC 2 (22.40). The Chancellor's statement (also on BBC Radio 4 at 22.30)

"The Budget": ITV (22.35). The Chancellor talks about today's events

"Newsnight": BBC 2 (22.50)

"The World Tonight": BBC Radio 4 (22.40) followed by "The Financial World Tonight" then "Today in Parliament"
