#### PRIME MINISTER

#### MAIN EVENTS

Prime Minister attends Red Army Ensemble

The Queen opens the Royal Priors Shopping Centre, Leamington Spa; later visits the Royal Army Ordnance Corps at the Central Ammunition Depot and Army School of Ammunition at Kineton

MSC Commission meeting

#### STATISTICS

CSO: Personal income, expenditure and savings (4th Qtr)

CSO: Industrial and commercial companies (4th Qtr)

# PARLIAMENT

#### Commons

Questions: Northern Ireland; Agriculture, Fisheries and Food; Prime

Minister

Business: Education Reform Bill: Progress on Remaining Stages. (3rd

allotted day)

Adjournment Debate: The future arrangements for research and development

in the electricity industry (Mr M Colvin)

Lords: Starred Questions

Regional Development Grants (Termination) Bill: Second Reading

Hampstead Radio Station Bill (HL): Second Reading

Financial Services Act 1986 (Extension of Scope of Act and Meaning of Collective Investment Scheme) Order 1988: Motion for

Approval

Wages (Northern Ireland) Order: Motion for Approval

# PRESS DIGEST

### MAIN NEWS

Benn/Heffer to fight Kinnock/Hattersley for leadership of Labour Party in autumn - prospect of a bloody battle for next 6 months. Kinnock says move is "deliberate, futile and selfish".

<u>Sun</u>: Six months of civil war ahead. <u>Mirror</u> says Benn/Heffer are being described as nightmare ticket.

Pound surges over 3.10DM

Much picture coverage of your visit to Northolt.

BBC and ITN handed over film of lynching of 2 soldiers at request of RUC. They say they are not above the law. But RTE refuses to hand over its untransmitted tape. Labour MPs accuse BBC of giving in to Government pressure.

Crowd of 10,000 turns out in Belfast for memorial service for two soldiers.

IRA funerals will be heavily policed in future.

<u>Sun</u> announces £25,000 to build a memorial to the two soldiers at Regimental HQ at Catterick.

Ulster policeman claims 2 soldiers summoned up enough strength to run for killers' black taxi after being beaten up, before being caught and shot.

AEU flying to Detroit today to try to persuade Ford to go to Dundee; but Ron Todd, TGWU, held to have scuppered any chances by saying TUC only offered advice.

<u>Mail</u> says Government is to make a last ditch attempt to revive Ford plant for Dundee.

Land Rover strike goes on - show of hands at mass meeting fails to back union supported deal. Ballot to be held.

Jaguar now faces strike after 15-1 vote for industrial action against plan to boost output.

TUC declines to suspend ETU for its actions over Wapping.

B/Rail offers unions 4.5%; unions say not enough.

Government last night dashed conservationists' hopes that Welsh and Scottish uplands would be saved from subsidised conifer planting by more than doubling grants. Unions threaten to close Commons bars and restaurants in dispute over back pay.

Council tenants to be offered up to £10,000 to move out and buy a house as part of drive to reduce homelessness.

Abbey National decides to become a public limited company - first building society to seek to do so.

Express gives Kenneth Baker a page to explain how we can tackle violence in schools.

New row over BBC's teenage homosexual programme to be screened late on Friday - it doesn't mention AIDS.

42 elderly people have died in 'flu epidemic at Taunton hospital.

Oxford NHS to spend £200,000 buying heart operations in London to clear backlog.

New hospital performance indicators to be issued tomorrow (Express).

Hereford and Worcester college lecturers to have their 14 week summer holidays cut by 8 weeks - to use extra working time to help those who failed exams and to brush up on their subjects.

Michael McNair-Wilson MP to test new "wonder drug" for kidney patients.

Home Secretary announces 'Punishment in the Community' - a plan to get inner city projects done by young offenders.

Police Federation chairman says there is only one thing to be done with yobs who attack policemen - lock them up.

New laws to be introduced to plug loophole over torture.

Six accused of illegal weapons deals with Iran in court; more charges expected.

Girl stabbed to death in afternoon stopping train from Orpington to Victoria.

40 fans arrested before England v. Holland soccer international; some on rampage with stun guns; policewoman kicked and punched to ground, and 2 ambulancemen beaten up trying to rescue police.

Today says Britain would be better off without soccer. Express

quotes a shopper as describing West End "a war zone".

Independent: Mounted police made repeated charges at a mob of English football supporters throwing missiles amid violent scenes last night following the international match with Holland. About 1,000 England supporters were waiting 20 deep to attack Dutch fans.

Stockbroker, Tony Parnes, implicated in Guinness affair, decides to return home 24 hours before extradition hearing in USA.

Policeman banned from Bristol infants school after governors, led by wife of Left wing councillor, accuse him of saying he did not believe black and white children should be mixed at school. But police chiefs clear him and West Indian leaders support him.

TV-AM says sacked technicians will never be able to return to their former terms and conditions.

Reagan/Gorbachev summit to be held on May 29-June 2.

Latest opinion poll puts Dukakis ahead of Bush (50-45) in presidential race.

Prince Philip calls for limits to be set on number of babies allowed to parents in the interests of human survival; <u>Today</u> says it ill becomes a man with 4 children to say this.

# RETURN OF SOLDIERS

<u>Star</u> devotes 2 pages with pictures to return of 2 soldiers and coffins.

<u>Sun</u> Pl picture story Tribute to IRA victims and inside further coverage.

Mirror: The grief and the pride; two pages of pictures.

<u>Today</u>: Front page picture and two pages of coverage of return inside.

Express: Parade of tears - a page set aside for the return, with
pictures.

Mail Pl: Maggie's grief for brave corporals, with picture. Nearly 2 pages devoted to return and Belfast outdoor service.

<u>Times</u>: You console families and bodies of Cpls Wood and Homes are returned to RAF Northolt.

Telegraph P1 with pictures - Poignant return of IRA's victims.

<u>Guardian</u> P1: Picture coverage linked with handover of TV footage and Belfast service.

# **IRELAND**

<u>Sun</u>, noting that Bishop Daly has belatedly accused IRA of showing their real face in their murder of the 2 soldiers, asks what the Portestant side has done. Archbishop of Canterbury has been busily involved in South Africa, but why doesn't he go himself to Belfast Dublin? After all, religion caused Irish troubles and leaders of all denominations have inescapable duty to help.

<u>Express</u> says the RUC is right to reverse its hands off policy for policing paramilitary funerals. The low profile was a gamble which failed disastrously.

<u>Times</u> profiles the Catholic Bishop of Belfast saying the latest outrages in Northern Ireland have drawn out an implacable enemy of the IRA.

 $\underline{\text{Mail}}$  says never again must front men for terror be left to stage manage their own macabre show without safety curtain.

FT: Government is considering extending to Northern Ireland provisions in the Criminal Evidence Act which would oblige broadcasting authorities to hand over material demanded by the police. Leader says the camera is not an innocent bystander. It is an eye-witness. Nevertheless, BBC and ITN did not deserve the especial opprobrium brought down on their heads by you and Conservative backbenchers for the future TV companies know they ought to steer clear of public relations charades indulged in by the IRA.

<u>Independent</u>: Broadcasters are aware they are seriously out of line with most British public and political opinion in their reluctance to hand over untransmitted film. "The Government has resolutely refused to declare Northern Ireland a war zone in which war regulations control coverage. It has instead made the media go through a process of self-censorship operated by the IBA and BBC executives. It is monstrous to throw the burden back to journalists", said Jack Saltman from Thames TV.

### POLITICS

<u>Mirror</u>: No hope Benn to stand against Kinnock. Most Labour MPs amazed by Benn's readiness to challenge Kinnock and face certain failure and considerable surprise at his choice of running mate.

<u>Times</u>: Conservative and SLD MPs delighted by news of Benn/Heffer challenge.

<u>Independent</u>: Some Labour MPs hope that John Smith will join contest; they regard him as a more credible alternative to you.

Martin Jacques, editor of Marxism Today, in the <u>Guardian</u>, says Labour's problem is the fact that it seems as if it is out of time. Things will only change for it if it recognises the world we now live in has changed and changes with it.

Geoffrey Smith, in <u>Times</u>, says Geoffrey Howe is the key person in the jigsaw as to whether or not Nigel Lawson stays as Chancellor. He says that if Mr Lawson stays at Treasury another year his claims to the FCO would be much stronger. But you might still hesitate to move Geoffrey Howe against his wishes as you owe him a great deal.

# EDUCATION

<u>Times</u>: Kenneth Baker agrees to concession in religious education which will effectively make it part of the proposed compulsory national curriculum.

<u>Times</u>: Strathclyde University becomes first in Britain to adopt a policy of positive discrimination in favour of women.

FT: ILEA moves to redeploy a sixth of its 9,200 secondary teachers to cut costs.

#### HEALTH

<u>Times</u>: Doctors call on Government to introduce law to ban smoking at work because of risk of getting lung cancer through passive smoking.

<u>Times</u>: Scientists make important advance in designing improved "magic bullets" to attack cancer, AIDS and other diseases.

<u>Independent</u>: The Government gave a clear hint in the House of Commons yesterday that some additional cash could yet be chanelled into the NHS in the coming year.

#### LOCAL AUTHORITY

 $\overline{\text{FT}}$ : Liverpool balances its budget and cuts rates after finding an extra £16m from a 1985 creative accountancy device.

<u>Independent</u>: Pressure is building among Tory backbenchers for an early Government concession on the uniform business rate to save small traders from base rate increases in 1990.

# BUDGET

Independent: The budget has declared that the Thatcherite answer
to Socialism is selfishness, said the Bishop of Durham.

#### AGRICULTURE

<u>Times</u>: MAFF permanent secretary and chief executive of Agriculture Intervention Board apologise to PAC for unwittingly misleading it when they gave evidence on fraud and CAP.

# LAW AND ORDER

<u>Mirror</u> leader says Magistrates are failing in their duty to keep the Queen's Peace; too often they are soft in courts and on those who have proved themselves unfit to hold pub, club and disco licences. County towns are becoming battlegrounds at night.

<u>Times</u>: John Stalker rebuked by Association of Chief Police Officers for allegedly breaking police confidentiality.

<u>Times</u>: Mrs Justice Booth says in radio interview that gay couples in a stable relationship should be granted same property rights as unmarried heterosexual couples.

<u>Independent</u>: Peter Jenkins says that nothing will be done until we change our attitude towards imprisonment. Our whole penal system is far too dedicated to punishing crimes against property. We ought to rely less on prison as a punishment and use it chiefly to remove from society people who are too violent to be at large.

# FORD

Express leader headed "Jobs? Not on your Todd" says AEU do not deserve to come back from Detroit empty-handed, but Todd seems determined to fight single union deals to very last job. It's not

comfort to the unemployed of Dundee that his out-dated Luddism is dying on its feet. It will not expire quickly enough to save Dundee.

<u>Times</u>: Report to be published on Monday says union opposition to Ford's Dundee plant will jeopardise further investment in Britain from America and Far East.

Independent leader says that Ron Todd is a much maligned man. From the narrow sectional point of view he was right to oppose the agreement. There was nothing in it for him or his union members. It is possible that the project will be re-instated. In which case the existence of Dundee will, as Mr Todd has warned inevitably threaten the survival of the TGWU's outmoded 'Blue Book' national wage bargaining machinery at Ford.

### INDUSTRY

<u>Independent</u>: MoD covered up large job losses at Devonport before the general election and now face a growing financial crisis after the introduction of private management to the yard.

 $\underline{\mathtt{FT}}$ : CAA announces further £300-400m air traffic upgrading, to add to £200m improvements already planned.

 $\overline{\text{FT}}$ : DTI says cost of European single market promotional breakfasts will be about £5 a head, but cost of organising conferences will be about £50 a head.

FT: DTI advertising budget may be subject of NAO inquiry.

# **ECONOMY**

FT: Senior Treasury officials tell TCSC that "the Government is still committed to exchange rate stability". They hint that any further substantial rise in £'s value against DM would result in another cut in interest rates.

FT: Sam Brittan accuses you of digging in your heels ever more obsessionally over EMS membership, in a way startlingly reminiscent of Harold Wilson over sterling devaluation. But EMS may be superseded by need to go beyond it to a common European currency. The use of 10 different kinds of money in the EC is an obstacle to a unified market; and he argues case for a D-Mark standard.

<u>Guardian</u>, reporting Select Committee hearing, says a fresh surge in £ prompted Treasury to reassert its authority over exchange rate policy.

# EC

Times leader discusses the moves towards a single internal market saying there is a dangerous sense of unreality to it as it has been talked about since the EC was set up. But those who do not plan now will become victims of the planning already being done much more vigorously across the Channel. It concludes that once it becomes a reality there will be spectacular winners - and losers.

<u>Times</u>: EC to press ahead with investigation into proposed BAe-Rover merger despite personal mission to Brussels by Lord Young.

FT: European Commission is expected to launch a formal inquiry within the next week into British plans to write off substantial amounts of Rover Group debts. Lord Young said he had "no reason to be anything other than confident" of the outcome.

 $\overline{\mathtt{FT}}\colon$  EC threatens to impose punitive port levies on unfairly underpriced Japanese and South Korean vessels.

# DEFENCE

Independent: Labour warned last night that Cabinet Ministers would face tough questioning over Boeing's failure to provide 4,500 jobs in Britain in return for getting an £860m order for AWACS early warning aircraft. Leader asks if George Younger is stupid or dishonest? When he signed contract to buy Boeing AWACS from America instead of Nimrod, Boeing offered to create 4,500 new jobs within a year. The 4,500 jobs remain invisible. British firms can expect no favours from Americans. If Mr Younger cannot face that fact, he is the wrong man to sort out a bloated department in which spendthrift inefficiency skukls behind obsessive secrecy.

# RUSSIA

<u>Times</u>: Gorbachev rejects ultimatum of Armenian nationalists over demands for redrawing Soviet internal borders.

# BERNARD INGHAM

# MINISTERS (UK VISITS, SPEECHES ETC)

DEN: Mr Parkinson attends the Oil Clubs dinner, Edinburgh

DTI: Mr Clarke visits BAE, Bristol

MAFF: Mr MacGregor lunches with Guinness, London; later meets Mike Moore, Minister for Overseas Trade and Industry for New Zealand; later receives courtesy call from Italian Ambassador, Boris Biancheri

WO: Mr Walker attends Glamorgan Cricket Club centenary dinner, Lords Cricket Ground, London

DEM: Mr Nicholls addresses the Axminster Industrial Initiative

DES: Lady Hooper has tea with the Principal of Morley College, House of Lords

DES: Mr Jackson attends the Council for National Academic Awards council meeting, Royal Overseas League, London

DHSS: Mrs Currie attends the Royal opening, by HM The Queen Mother, of the north wing of St Mary's Hospital

DHSS: Lord Skelmersdale visits and attends presentation at Moorfields
Eye Hospital

DHSS: Mr Newton opens new offices at Abbot Laboratories Ltd; later addresses Nursing Times recruitment and retention campaign, St Barts Hospital

DOE: Mr Waldegrave addresses House Builders Federation conference, Bournemouth

DOE: Lord Caithness attends London Waste Regulation Authorities conference, London

DOE: Mrs Roe attends Housing Seminar, Winchester

DOE: Mr Trippier addresses City Grants Seminar, London

DTI: Mr Atkins addresses Technology and the City conference, London

DTp: Mr Bottomley presents County Road Safety Officers awards, Connaught Rooms, London

MAFF: Mr Thompson attends Ministerial meeting with the New Zealand Minister of Trade and Marketing

MAFF: Baroness Trumpington meets United Kingdom Agricultural Supply Trade Association, Agrochemicals Committee

#### MINISTERS (OVERSEAS VISITS)

FCO: Sir Geoffrey Howe departs for Switzerland (to 25 March) and addresses Swiss Institute of International Studies

# MINISTERS (PRESS INTERVIEWS)

DOE: Mrs Roe takes part in BBC TV's Question Time

#### TV AND RADIO

"Today": BBC Radio 4 (6.30)

"Business Daily": Channel 4 (12.00)

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

"Daytime on Two": BBC 2 (12.50) 'Inset TVEI extension' Assessment of the first four years of TVEI (first shown Tuesday)

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

"The Parliament Programme": Channel 4 (14.00)

"PM": BBC Radio 4 (17.00)

"Out of Court": BBC 2 (20.00). Are industrial tribunals fair? Four Rolls-Royce workers don't think so

"Analysis": BBC Radio 4 (20.15) 'Researching Success'. Some members of the scientific community claim that the spending squeeze is damaging their work

"This Week": ITV (20.30)

"Question Time": BBC 1 (22.00) with Frank Field, Marion Roe, Max Hastings, and Usha Prashar, director of the National Council for Voluntary Organisations

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

"The City Programme": ITV (22.35)

"Newsnight": BBC 2 (22.40)