

19 April 1988

**PRIME MINISTER**

**MAIN EVENTS**

The Queen and Duke of Edinburgh visit Australia.

House of Commons Select Committee on EC Legislation visits The Hague/Bonn (to 21 April)

The Princess of Wales opens the Bradwell Hospital for the Elderly, Newcastle-under-Lyme, Staffordshire; later opens Turning Point Organisation's, Stoke-on-Trent Drugs Service, Stoke-on-Trent.

Teachers' pay statement

New York Presidential Primary

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**STATISTICS**

BSA: Building Societies monthly figures (Mar)

OPCS: Infant and perinatal mortality; birth weights 1986

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**PARLIAMENT**

**Commons**

**Questions:** Education and Science; Defence; Prime Minister

**Business:** 10 Minute Rule Bill: School Bus Passes (Revision of Regulations)  
Local Government Finance Bill: Progress on Remaining Stages (2nd allotted day)  
Local Government Finance Bill: Ways and Means Resolution  
Followed by:  
Motion relating to the Standard and Collective Charges (Scotland) Regulations

**Adjournment Debate:** The North East Lancashire Enterprise Zone (Mr K Hargreaves)

**Select Committees:** COMMITTEES ON PRIVATE BILLS  
South Yorkshire Light Rail Transit  
Hampshire (Lyndhurst Bypass) (Lords)

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PARLIAMENT (cont'd)Lords: Starred Questions

Court of Session Bill (HL) (Consolidation): Committee (on Re-Commitment)

Education Reform Bill: Second Reading (2nd Day)

The Lord Swann proposes to move an amendment to the Second Reading at end to insert "but this House believes that no limits should be imposed on the members of Universities, Polytechnics and Institutes of Higher Education being self-governing communities of scholars dedicated to free enquiry and free speech in their longstanding duty and responsibility to society for the encouragement of learning and the preservation, dissemination and expression of knowledge."

UQ to ask HMG what is the present strength of the reserve forces, what plans they have for their future enhancement and whether they are satisfied that these forces are able to fulfil the role allotted to them in the defence of this country.

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MINISTERS - See Annex

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PRESS DIGEST

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Government's narrow (25) defeat of the Mates' Amendment and the leaked No 10 letter share prominence with war in the Gulf, with Left wing Ron Brown's seizing and casting to the floor of the Mace also featured.

On community charge 38 Tories voted against Government, but sources close to the Prime Minister say Government will press ahead with its legislation. 10 or 11 ex-Ministers among rebels. Norman Tebbit says Government expected a majority of only 20.

Special Branch said to be investigating leak as some put it: "at the heart" of your private office.

SLDP unveils proposals for a local income tax - average rate 5.4p in the pound - claiming it would be a much preferable alternative to the proposed community charge.

On Gulf Iran promises world wide reprisals against USA after American forces raid Iranian oil installations, with UK backing, in retaliation for mining Gulf.

Reagan warns Iran they will pay a price if they continue to threaten American interests in Gulf.

British tanker hit. US destroys 2 Iranian frigates.

Reports suggest captive US colonel has been murdered by fanatics in Lebanon.

Sterling hits six year high against dollar - \$1.90 - and reaches DM3.15; speculation of a further cut in interest rates. Abbey National mortgage rate falls.

House boom spreads; West Midlands prices rise 8% in 3 months.

Member of Kuwait Royal family among hostages on hijacked plane calls on his country to give in to terrorists. Times says Kuwaiti Government is apparently resigned to death of passengers and crew.

Jaguar workers vote to accept new productivity deal after concessions by company.

Sir Jeffrey Stirling gives striking crewmen until 6pm tomorrow to accept his final offer - then company will either recruit non-union crews or sell ships.



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MSC to hold secret talks with Scottish TUC in last minute attempt to persuade trade union leaders not to vote for a campaign of active opposition to a new training scheme for long-term unemployed.

Sun says nurses will get their bumper pay rises this week - you will rubber stamp the award.

Guardian says Norman Fowler wants to return to DHSS to take charge of social security if Department is split.

Mirror highlights case of old soldier, 66, in Barnet whose rent and rates have increased from £5.38 to £74.38 a fortnight under social security changes and council cutbacks.

Meanwhile, Express says DHSS officials have been asked to explain why they cut assistance to one of the Children of Courage whom you have met. You intervene on boy's behalf.

Independent - Union leaders express anger and disbelief at government advice, contained in leaflets handed out to social security claimants, to the poor and needy not to go shopping when hungry because they might be tempted to buy more than they need.

National Union of Students face Government crackdown - DES survey could end their closed shop.

Prison chaplain (Humberside) dies of AIDS.

Church of England to launch urban fund tomorrow to raise £80million to help poor in inner cities.

British drug smuggler loses his appeal against death sentence in Malaysia.

ITN to streamline its news operation and reduce staff by 142.

Scottish TUC president says Labour must recognise that a new home and share owning democracy is being built in Tory Britain and modern "trappings" have affected voting loyalties.

Israeli court finds Demjanjuk was Ivan the Terrible - the death camp butcher.

Israeli sources say they ordered killing of PLO No 2.



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Mail says hypocrisy of Zola Budd affair highlighted by news that West German and Swiss gymnasts will compete in South Africa this week - as for past two years without reaction.

Independent says the break-up, sale and closure of British shipbuilders will rid the Government of its one remaining lame-duck nationalised industry. But thousands of jobs are at risk in some of Britain's worst employment blackspots. British shipbuilders' fate should be sealed by the summer.

COMMUNITY CHARGE

Star - Tories rocked by poll tax revolt - biggest since you took office.

Sun - page 1 lead: Tory poll tax vote blow - worst body blow since the election. And No 10 traitor leaks Maggie's tax secret; sneaked to Labour MP. Sensational manhunt at the heart of your Private Office.

Mirror leads with "Revolt - poll tax Tories turn on Thatcher"; Government rocked.

Today - page 1 - Spy inside No 10 being hunted by Special Branch. Maggie rocked as 38 form poll tax revolt. Biggest shock of your Ministerial life.

Express - page 1 lead - Maggie's majority cut to 25. Hunt for No 10 mole after leak. Mole link to No 10 as Labour MP reveals secrets. Feature on "the lust for power driving Heseltine on".

Mail page 1 lead - Poll tax leak in Downing Street as big revolt cuts Maggie's majority to 25. How critical was leak in persuading Tory MPs to defy Whips?

Telegraph page 1 - Tax rebels cut majority to 25 - humiliating.

Guardian - page 1 - Thatcher humiliated by Ridley concessions failure. Leak has Ridley on spot.

Times leads with massive Conservative rebellion despite concessions by Nicholas Ridley. Kinnock demands statement from Government on its future intentions but no Minister moved to speak. Same story reports the leaked No 10 letter - the third - about last week's meeting on concessions, which appeared to confirm that there is a well-placed mole in Downing Street.



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Times describes the biggest whipping operation of the last two Parliaments with meetings and telephone calls and 10 MPs being invited to Mr Ridley's office where his PPS was "filling glasses as if there was a whisky lake".

Times says last night's voting embarrassment is one of your worst results in this Parliament but the revolt is only the latest in a long line.

FT - As many as 50,000 small traders, mostly retailers, could be forced out of business by the Government's plans for rate reform said Forum of Private Business.

Guardian - The criticism of Heseltine for allegedly fomenting the Tory poll tax revolt was inspired directly by you, according to ministerial sources. According to some Ministers you have been criticising Mr Heseltine constantly even at Cabinet Committee meetings, saying that you regretted having made him defence secretary.

Guardian - Humiliating rebuff for Government and probably most embarrassing result for the Tories since they came to power in 1979.

GULF

Star leader headed "Bring mad dogs to heel" says Reagan has hit the Ayatollah where it hurts and now Khomeini is screaming unfair. It salutes Reagan for his determination to take no more insults from tinpot dictators and religious maniacs.

Sun - Page 1 lead - Reagan's revenge; leader on "black day" for civilisation and rule of law in Middle East. You had the wisdom and courage to give full backing to our American Allies. Socialists led by quivering Kaufman as normal expressed their doubts and fears. If the entire West accepted its fair share of the burden Iran and Iraq could be kept apart, terrorists could no longer use hostages to play off one country against another and hijackers would have no refuge.

Mail - British tanker hit as Gulf war becomes shoot out. Leader says there is no question that the Americans have right on their side. But it would be a grim irony of, just as the Soviet Union is extricating itself from Afghanistan, the USA became militarily enmeshed in Iran.

Today - Tit for Tat shooting war - oil rigs and ships ablaze as US blasts Iran fanatics. I'm with you all the way, pledges Maggie.



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Leader says no-one should doubt America was within its rights to take out two oil platforms. In fact, it was acting in the interests of the whole world. Labour's call for a UN force to police to Gulf is an attractive fantasy.

Express - It's war as US takes revenge on Iran; leader says the President was right to order retaliation. It would have been wrong to allow last week's mining to go unpunished.

Times - Reagan says Tehran will pay price if Gulf threats continue.

Independent - Congressional leader and the Democratic presidential candidates support the President's action. Fears are raised that it could lead to a wave of Iranian-sponsored terrorist attacks. Leader says the US needs to make a clear statement of its policy in the Gulf, not least because it might make the planners in Washington consider just what they are trying to do.

FT - The renewed tensions in the Gulf led to a surge in the price of oil and lent stability to the dollar; the Foreign and Defence ministries of the WEU were last night expected to renew their commitment to co-ordinated naval action in the Gulf following the latest Iranian attack.

Guardian - leader says on situation in the Gulf that both sides seem to have renewed their attack precisely because foreign mediation has come to nothing. It is time for the Security Council to try again to seek an end to one of the nastiest conflicts since the Second World War.

Guardian - Thatcher backs Reagan on Gulf raid but Britain shows concern that the situation might be getting out of hand, and is in no hurry to determine whether retaliation should be taken for the attack on the British flagged supply ships. Meanwhile tentative plans to scale down Western European minesweeping questions are likely to be put on ice as a result of the renewed flare-up.

SINGLE MARKET

Mirror leader, contrasting French and British awareness, says everyone must support your campaign. It is not a party political matter. Our future rests on its success.



PRESS DIGEST

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Express - Our big chance in Europe, by Maggie. Leader says our competitors are already queuing up for 1992. We must be fit and ready to meet them head. Opposition say Britain is in no state to meet 1992 deadline. Under Socialism we would still be the sick man of Europe.

Mail - Maggie - make Eurodream come true.

Peter Jenkins, in the Independent, looks at yesterday's conference on the single market and wonders whether 1992 is a viable deadline. Although you are still no "European" you do have a policy for Europe. This is the deregulation and liberation of the Common Market - an extension of Thatcherism by other means.

Times - Lord Young declines to offer Government support for reappointment of Lord Cockfield, who is thought to have annoyed you with his proposals for EC tax harmonisation, as Britain's EC Commissioner.

Times - You urge firms to prepare for single market revolution as you launch awareness campaign; Chancellor opposes abolition of zero rate on VAT at finance ministers meeting.

Independent - Cold War between Britain and Brussels over plans to harmonise VAT in the EC by 1992 intensifies after the first ministerial negotiating round in Luxembourg. Chancellor says Cockfield proposals go too far.

FT - Britain must make a sustained national effort to ensure business and industry were aware of the challenge of the single market by the EC for 1992, you said yesterday.

YOUR RECEPTION

Sun picture of you with Shirley Bassey.

Today - similar picture with Miss Bassey.

Express - front page picture - the Iron Lady and the Tigress (Bassey).

NHS

Times - National Association of Health Authorities says in its evidence to your review body that health service patients whose operations are postponed should be able to go private and bill NHS.



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Times - High Court judge lifts threat of closure hanging over 29-bed cottage hospital in Tonbridge.

Independent - National Association of Health Authorities says NHS should move more towards an internal market with a finance system which rewards efficiency and with formal patient care contracts between health authorities and the local population.

Guardian - standards of decisions on benefit payouts unacceptable say report by the Chief Adjudication Officer.

COMMONS TV

Times - Televising of Commons could be delayed for up to a year; clear split among select committee members on timing when it met privately for the first time.

INDUSTRY

Times - Survey says high rates of TV commercials are costing the economy up to £2 billion a year because it is harming British companies, stifling innovation, damaging small brands of goods and banning smaller firms from buying TV slots to promote their goods.

Times - Britain bids for 5.5% share in Columbus space project.

Times - Institute of Manpower Studies says Britain's gas and oil fields could create 160,000 jobs a year.

Times - French take stake in North Surrey Water Company.

Independent - Advertisers tell Government that Britain could easily support a fifth upmarket TV channel without damaging the existing channels or new mass entertainment satellite services.

FT - Fears growing for the future of British Shipbuilders Sunderland subsidiary last night after the Government revealed there were contractual difficulties with its only order.

Independent - Engineers stand firm as Bill Jordan, opening AEU conference, warns that his union would not let a TUC "straight-jacket" stop it signing single-union deals.

Independent - Britain agrees to take 5.5% stake in Columbus space project - a level much reduced from previous expectations.

FT - Leader on space says no-one could argue that Britain has rushed into its decision to join the international manned space



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station. The British Government is right to ask searching questions about objectives and value for money.

Guardian - T&GWU beaten in contest for recognition at £50million plant in Wakefield. The Engineers Union has won another single-union deal.

Guardian - The threat of a strike at Jaguar was averted with an announcement that workers had voted to accept productivity deal.

Guardian - Leader says just one hundred years ago Britain controlled over 80% of the international shipbuilding market. That share is now down to 0.2%. None of this would matter if there were promising signs of Britain transferring resources to new growth industries. But sadly this is not happening. History will judge the Government by the extent to which temporary nature of North Sea oil and the sale of state owned assets are used to secure the long term base of the UK economy.

RACE

20 years ago tomorrow Enoch Powell made his "Rivers of Blood" speech on Commonwealth immigration, and writing in the Times he says that looking back, he sees no reason to amend one word or alter his judgements.

EDUCATION

Times - Lord Joseph critical of Government's proposed national curriculum for schools; might impose too tight a straight jacket.

Guardian - fears persist at ILEA abolition urging Government rethink.

ZOLA BUDD

Times - leader says that with every year that passes, it becomes clear that neither Britain, nor any other democracy, should have signed the international agreements penalising South Africa. Western democracies must sooner or later refuse to accede to the selective version of evil. Black African states - and those who seek favour with them - would soon enough accept the new reality. The Olympics would revert to what they were in the past.



PRESS DIGEST

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OFFICIAL SECRETS

Independent - Police give up attempt to secure classified paper on TREVI group as judge rules that their application should be heard in open court, which would pose a danger of publicity on matters of national security. There was also a possibility that the OSA was not contravened as the document came from a foreign source.

HOUSING

Independent - Survey by the Campaign for Homes in Central London shows dramatic decline in the amount of rented housing in the capital.

ELGIN MARBLES

Independent - Melina Mercouri and Michael Foot agree to put pressure on the British Government to return the Elgin Marbles by 1996 when Greece hopes to host the Olympic Games in Athens.

SOVIET UNION

Times reports that with the sudden admission of the spirit of glasnost that the Soviet Union also has its homeless, handicapped and lonely, charity is making its return to the country's streets after decades of being banished as an unnecessary and hypocritical Western concept.



MINISTERS (UK VISITS, SPEECHES ETC)

DEM: Mr Fowler launches EETPU interactive training programme, London

DOE: Mr Ridley attends informal lunch with Institution of Civil Engineers, Westminster, London

DTI: Lord Young presents Advertising Awards, You Magazine; later receives courtesy call from Turkish Senior Trade Minister, Mr Ozal

WO: Mr Walker visits South Wales Argos premises, Newport

DEM: Mr Cope visits Yorkshire and Humberside

DEM: Mr Lee visits British Airways training academy, Ealing; later presents Observer travel award, Park Lane Hotel

DEM: Mr Nicholls visits Outer London South Sports Forum

DHSS: Mr Portillo visits Hemel Hempstead ILO and a nursing home at Feldon

DHSS: Mrs Currie visits Army Catering Corps, Aldershot

DTI: Mr Maude addresses City and Financial Group of the Institute of Public Relations, London

DTP: Mr Bottomley launches Accident in Park Road teaching video, Sir John Cass School, Aldgate

DTP: Lord Brabazon opens the All Thetford Bypass

DTP: Mr Mitchell addresses the Institute of Railway Signal Engineers members' annual dinner, Institution of Electrical Engineers Hall, London

HMT: Mr Lilley visits Customs Investigation Office, London

MAFF: Mr Thompson attends Agricultural Engineers Association lunch, Savoy, London

OAL: Mr Luce addresses opening of Museum Shop, London

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MINISTERS (OVERSEAS VISITS)

FCO: Sir Geoffrey Howe departs for Anglo-Italian Summit, Italy (to 20 April)

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MINISTERS (PRESS INTERVIEWS)

DES: Mr Baker on Newsnight, BBC 2 TV on the Education Reform Bill

DES: Mr Dunn interviewed on TVAM about conductive education, ITV (08.15)

DTI: Mr Maude interviewed by Victoria English of Business Week Magazine on the single market

ODA: Mr Patten appears on BBC radio series Hello Tomorrow to discuss the theme Aid Works



TV AND RADIO

"Today": BBC Radio 4 (6.30)

"Business Daily": C4 (12.30)

"The Parliament Programme": C4 (14.00)

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

"Newsnight": BBC 2 (22.55)

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