

17 May 1988

PRIME MINISTER

MAIN EVENTS

Prime Minister receives video from Russian Red Army dancers (photocall) and later unveils portrait of George Younger.

The Queen and Duke of Edinburgh attend a service for the Order of the British Empire, St Pauls Cathedral

EC: Research Council, Brussels

EC: Foreign Affairs Select Committee visit Brussels/Bonn (to 19 May)

Institution of Professional Civil Servants annual delegate conference, Eastbourne (to 20 May)

Inland Revenue Staff Federation annual delegate conference, Southport (to 20 May)

Wakeham Group on Alcohol Misuse - meeting

STATISTICS

DTI: Overseas trade statistics (March 1988)

HO: Pace statistics

OPCS: Infectious diseases (June qtr 1987)

PUBLICATIONS

MOD: Defence Estimates 1988 White Paper

Manchester City Council publish substantial parts of the MacDonald report on Racism in Schools

PARLIAMENT

Commons

Questions: Education and Science; Defence; Prime Minister

Business: 10 Minute Rule Bill: Working Life (Reduction in Hours)
British Steel Bill: Remaining Stages
Motion to take note of EC Documents on the Joint Research Centre and on EUREKA and Community Science and Technology
Details will be given in the Official Report
Matrimonial Proceedings (Transfers) Bill (Lords): Remaining Stages

PARLIAMENT (Cont'd)

Adjournment Debate: Dumping of industrial and radioactive refuse in the Bristol Channel (Mr T Speller)

Select Committees: TRANSPORT
Subject: Airline Competition: CRS
Witness: Amadeus

COMMITTEE ON A PRIVATE BILL
Hampshire (Lyndhurst Bypass) [Lords]

Lords: Starred Questions
Scottish Development Agency (Oban South Pier) Order
Confirmation Bill: Consideration of Report
Education Reform Bill: Committee (6th Day)
Eastbourne Harbour Bill (HL): Third Reading
European Committee for the Prevention of Torture and
Inhuman or Degrading Treatment or Punishment
(Immunities and Privileges) Order 1988: Motion for
Approval

MINISTERS - See Annex

PRESS DIGEST

Kinnock expected to challenge you again today to back Chancellor's handling of exchange rate.

Currency markets yesterday waited for a lead from House today.

Guardian evidence of briefing that problem after Foreign Secretary's remarks last week lies in No 10 not FCO and that FCS feels politically secure.

Pay is now rising twice as fast as inflation - boom in living standards (Today).

Hattersley says appointment of Rees-Mogg as chairman of Broadcasting Standards Council is "wholly unsuitable". IBA claims it is interference in a job they are doing well enough.

Nestle buys more Rowntree shares.

Soviet troops stage ceremonial withdrawal from Kabul.

Mail feature on how British bosses are in demand in USA.

Times - EEP TU leader says break up of TUC is inevitable and does not expect his union to be affiliated much longer.

P&O takes passengers from Dover to Calais and back for first time since dispute began - Mail says strikers face defeat.

McCluskie survives a call for his resignation at NUS conference.

Mirror claims it has moved Paul Channon to inquire into its allegations that a P&O ferry moved in French harbour with doors open 8 months after Zeebrugge; leader attacks him for "ducking, diving and dodging in self righteous complacency" during Questions yesterday.

P&O dismiss Zeebrugge hero who got Queen's Gallantry Medal for refusing to work longer hours for less pay.

Land Rover workers giving up 4-day holiday to make up for lost production in strike.

Telephone engineers' union militants trying to get rid of John Golding because of alleged involvement with call girl.

PRESS DIGEST

Claims that electricity privatisation could cost 160,000 jobs - from Coalfield Communities Campaign.

Britain's supertrain causes rush hour chaos when a door jams at Southampton.

Star leads with story that DHSS is investigating allegation that its Peterborough office asked for the £4 savings of a dead 6 year old boy from his mother to help repay loan.

John Moore calls for tax incentives to people who opt out of NHS; Express finds the ideas now being canvassed as promising.

Edwina Currie says doctors are setting a bad example to patients by drinking too much on evidence of incidence of liver disease.

Gallup Poll run for CPS shows 52% of parents in Greater London not worried about abolition of ILEA; 49% in Inner London where 47% express fears.

Government ready to fight in Euro Court to allow public schools to retain corporal punishment.

Settle-Carlisle line will close next year unless a private operator can be found to take it over from British Rail.

Sun to sue grandmother cleared of her part of a bingo swindle which netted £1million.

Parents keep children away from Manchester school because a 9 year-old boy is "terrorising" pupils, threatening them with array of weapons and robbing them.

Sport

Sport: ITV to stop screening wrestling; snooker to be cut by half.

Colin Moynihan launches campaign today to persuade 1.25million women over period of 5 years to take part in some form of sport.

Michael Meacher sues Observer for libel.

British couple and two children killed in gunmen's raid on Khartoum hotel Quaker relief workers. Lebanese and Palestinian suspects held.

PRESS DIGEST

Vice President Bush: national security adviser alleged to be linked to supply of arms to Nicaragua allegedly funded by drugs money.

Sikh terrorists kill 42 in string of machine gun raids across Punjab while police lay seige to Golden Temple.

STERLING

Star - Pounding for bosses - CBI asks you to peg soaraway pound to protect exports.

Sun - Loans cut is on the way - booming pound looks likely to spark a new interest rate reduction.

Today - Billions gambled on perky pound. Downing Street rumours send pound soaring. Seems you and Chancellor can only agree to differ.

Express - Silence is golden in pound's phoney war. You and Chancellor both fed up that "tiff" has been blown up out of all proportion.

Mail - Soaring pound puts Maggie on the spot; crunch day looms over Lawson split; last night it was reckoned you would have to make up your differences with Mr Lawson publicly or risk break up of economic strategy.

Telegraph leader says you suspect Treasury has gone soft on inflation yet you have rigidly opposed the imposition of any brakes on mortgage borrowing. The time must surely come when you must realise artificial stimulation of housing market has gone too far.

Hugo Young in Guardian says the differences at the top are more apparent than real and this is not Westland revisited. Government does not face a crisis; only a problem of credibility.

Independent - Prime Minister refused to act on rising pound. You are said to be resisting strong Treasury pressure to modify your opposition to large-scale intervention. Chancellor said to be embarrassed by your refusal last Thursday to endorse his view that continuing appreciation of the pound was unsustainable and damaging. Conservative ministers and MPs see a number of similarities between the present dispute and the Westland affair.

PRESS DIGEST

Peter Jenkins adds that the Government is in a serious fix. The Government is in disarray as a result of your style and temperament. It is hard to see how confidence, financial or political, is to be restored in a hurry.

Times - leads with pound soaring again. Treasury and Downing Street officials were struggling to find a form of words to demonstrate that you and Nigel Lawson were agreed on exchange rate and interest rate policy. If you show unconcern about further rise, it is likely to soar further. If you fail to indicate greater harmony between you and the Chancellor the markets would be thrown into disarray. Ministers and MPs feel that if you had said "yes" to Kinnock the latest kerfuffle would not have happened.

Geoffrey Smith discussing the embarrassment over exchange rate and EMS in the Times says the success of your third term will depend quite a bit on your developing a new talent for managing Ministers with a mind of their own.

Telegraph - "Lawson must stay" pressure by Tory MPs as pound hits two-year record.

Guardian - Thatcher isolated in sterling row and facing remarkable private criticism from Ministers over handling of episode.

Foreign Secretary said to be convinced Downing Street's reaction to his comments last week is evidence of problem in No 10 and not in FCO. He feels secure, aware that dismissal would be dangerous politically for you.

Peter Stothard writing in the Times under the heading "Sir Geoffrey's forlorn flourish" looks at the Foreign Secretary's political career, saying that for a long time he appeared to be able to put up with the position as your football. Recently he has seemed less keen to be kicked around. He adds that it is hard to resist the conclusion that Sir Geoffrey would be the choice as Prime Minister neither of those who want a moderation to your radicalism or of those who want its continuation. In that sense his tactics have almost certainly failed - though no more so than the tactics of other rivals.

FT - Ministers face growing pressure for pound statement. The signs at Westminster last night were that you and the Treasury had agreed that any remarks today would be based on the previously announced formula that the aim was "to promote exchange rate stability within the overall priority of maintaining downward

PRESS DIGEST

pressure on inflation". Lex says that any attempt to contain the pounds's rise through small but well-publicised intervention seems doomed to failure: the Bank has given up its ability to frighten. This makes a cut in interest rates seem inevitable.

BROADCASTING STANDARDS COUNCIL

Star - New sex watchdog. Rees-Mogg first broadcasting "policeman".

Sun - TV's clean up chief takes swipe at A-team. I'd have banned it he says because it is a very violent programme targeted at children; leader says mistakes made by TV do not justify creation of this snooping authority. The viewers don't need Big Brother to watch over them.

Express - Storm over TV sex and violence censor; leader says it is something of a surprise that a Government headed by someone from outside the Establishment should have chosen for the BSC job someone so obviously from within it. It hopes that by the time the council's guidelines have been finalised they will make out a more convincing case for their existence than we heard yesterday.

Mail leads with "The Big TV clean up" - toughest ever clampdown on TV sex and violence likely to cause a major row with TV chiefs. Feature says the broadcasting establishment is not planning to make Rees-Mogg's job an easy one; leader says you are determined to open up TV screens to real competition but equally determined this should not lead to a free market in filth, hence the new council. We need a BSC and if Sir William makes a go of it will not be a thankless task but popular.

Independent - Opposition, BBC and IBA all protest at Rees-Mogg's appointment and creation of BSC. Leader wonders what the Council's eventual role will be - little more than a ceremonial existence or a supreme regulatory body, which would be needed if the government wished to prevent, rather than merely deplore, certain programmes. But it believes the latter function is better undertaken by the courts.

Mary Whitehouse writing in the Times urges real teeth for the broadcasting watchdog committee and calls for more power for the viewer.

Telegraph - leads with "Television goes on trial over sex and violence". Rees-Mogg watchdogs to check response to code of decency.

PRESS DIGEST

Guardian - Rees-Mogg starts with ultimatum - he would seek statutory powers if broadcasters did not come to agreement with him.

FT - Rees-Mogg warns broadcasting organisations that they have 18 months to avoid statutory regulations on previewing of violent programmes brought in from abroad.

Telegraph says sex, violence and bad language on the air - much of it gratuitous - have for years caused considerable offence. The BSC is thus guaranteed a broad welcome by public but it would be unwise to see it as a panacea.

Guardian leader says Sir William has been set loose with the weed killer. It doesn't make sense. And because it doesn't we must hope for fading pronouncements from an obscure office offering tea and biscuits to Mary Whitehouse and irrelevance to the discerning public.

MEDIA

FT - Government registers its intention of transferring two UHF frequencies now used for radar to broadcasting use.

FT - Cost of televising Commons estimated at £4-5million by BBC and IBA.

INDUSTRY

Independent - York mobilises its forces to oppose Rowntree takeover. Lobby expected on Parliament today.

Times TUC has had talks with police leaders about reducing picket line violence.

Times - International Stock Exchange Chairman says OFT's report on the rules of the ISE contain a series of errors.

DEFENCE

Independent - BBC film which attacks treatment of Falklands casualties to be shown on 31 May likely to upset Government, Army and administrators of the South Atlantic fund.

Independent - CDU-CSU politicians in Germany urge deployment of German and other NATO troops outside the NATO area.

PRESS DIGEST

Times says that the Defence White Paper will show continuing fall in defence budget and the Government pledging better conventional arms to keep pace with the growing capability of the Soviets.

Times - Court martial told an Army instructor ordered young soldiers to hurl abuse at coloured recruits on TA training course.

FT - Technical experts from the US, Britain and France plan exploratory talks next month in Farnborough to discuss an air-launched nuclear missile.

IRELAND

Sun leader says Anglo-Irish agreement has encouraged Protestant criminals to respond to what they see as a concession to IRA violence with murder.

YOUR MEETING WITH PEERS

Sun - Lords snub Maggie plea for poll tax. Leaders of revolt say they will carry on.

Mirror - Poll tax rebels in snub to Maggie. Bosses want a steady market. Strong pound a brake on tourism. But good for motorists.

Express leads with your telling peers to toe the line and warning rebels. Leading peers impressed with your performance; Lord Hailsham - a very good pep talk.

Independent - Rebel Tory peers refuse to back down over attempts to amend community charges legislation despite your direct appeal. But the "Tufty Club" is almost certain to be reduced by your appeal.

Times - Despite the good reception from a packed meeting of 170 Tory peers it became immediately clear that you had failed to head off a substantial revolt next week on the community charge.

Telegraph - Thatcher urges Tory peers to back poll tax. No sign of rebels backing down.

Guardian - Thatcher risks Lords defeat in bid to head off Tory rebellions.

FT - You appeal to Conservative peers to support key items in the Government's programme. The signs last night, however, were that rebel Tory peers would not back down.

PRESS DIGESTECONOMY

FT - OECD forecasts average 3% growth in 1988 among its 24 members.

FT - John Wakeham is most likely candidate for chairmanship of the Star Chamber to follow Lord Whitelaw.

SOCIAL SECURITY

Independent - Ministers likely to give go-ahead shortly for three-tier benefit network to assist benefit claimants in London. Benefit claims would be processed at offices outside London while Job Centre-style offices would be opened in high streets and shopping centres to help callers.

LAW & ORDER

Independent - Internal survey published today will show the good faith and enthusiasm of nearly 90% of Crown Prosecution Service stretched to breaking point through overwork.

Times - Over 80% of Crown Prosecution Service staff say their good faith and enthusiasm has been stretched to breaking point because of workload pressure.

Times - Home Office sends circular to magistrates asking them to improve consistence in granting bail.

EDUCATION

FT - Kenneth Baker suggests in a letter to the Chancellor that tax relief could be offered to individuals who pay for training to improve their skills.

STANDARDS

Star wants to know if Britain is still a Christian country when a junior school head bans the name "Jesus" from assembly for fear of offending non-Christians; a secondary head who faces the sack when she tries to stop Muslim pupils prostrating themselves in a car park when she has already set aside a room for them; and when the Archdeacon of London is forced to take a homosexual group to court to evict them from their HQ - a church where they enjoy protection of misguided vicar.

PRESS DIGESTHEALTH

Times - South East Thames Regional Health Authority is to set up an experimental internal market scheme under which it will charge other regions £3,000 for heart operations.

Times leader says the open-ended commitment to provide treatment in the NHS for everyone entirely free at the point of delivery and paid for from general taxation has three unacceptable consequences - politicians dare not face the fiscal unpopularity of ever rising burden on taxpayer; requirement that all contribute to NHS means many who would otherwise contract out into private schemes do not do so; the present system is over-bureaucratized.

RURAL DEVELOPMENT

Times - Government announces review of councils' powers to enforce controls as it comes under attack by backbenchers over the pace of development in rural south; leader says the debate now going on over the Green Belt has, sadly, been a matter of sour grapes. Mr Ridley has to ensure land is provided for development. He can only legitimately refuse the demands of developers outside the Green Belt if he can lay before them alternative sites, optional locations.

ROYAL FAMILY

Today leader says for those who ask what our Royal Family is best at the answer must unfortunately be: taking holidays. With a few worthy exceptions the Royals break their long periods of holidays with only short bursts of work.

HOSTAGES

Independent leader looks at the Syrian advance on Beirut and the fate of the British hostages held there. It calls for Britain to restore and consolidate its relations with Syria and Iran respectively. tough no-deals policies sound fine in principle, but begin to ring hollow when they produce no results.

EC

Times - Fears from many parts of the world that as Europe's internal barriers begin to crumble, they will be replaced by an external barrier, designed to restrict the benefits of the internal market to a new "Fortress Europe".

PRESS DIGESTSWEDEN/EC

Independent - Swedish Prime Minister Carlsson rules out Sweden joining the EC but appeals for full access to its planned single market.

MINISTERS (UK VISITS, SPEECHES ETC)

- DEM: Mr Fowler addresses and Mr Lee attends London Tourist Board reception
- DES: Mr Baker gives opening address to the Work Experience conference of Project Trident Trust: The Government Initiative, London
- DHSS: Mr Moore addresses Centre for Policy Studies and MSD Foundation conference on Options for Reform of the Health Service, London
- DTP: Mr Channon addresses Pedestrian Safety conference, London; later addresses Symposium of European Railways, Hythe, Kent
- FCO: Sir Geoffrey Howe addresses the Royal Commonwealth Society, London
- WO: Mr Walker addresses National Association of Goldsmiths, Stratford-upon-Avon
- DEN: Mr Morrison visits Wytchfarm onshore oil field, Dorset
- DEN: Mr Spicer visits the Mersey Barrage, Liverpool
- DES: Mrs Rumbold attends launch of the Industrial and Commercial Perspectives at the QEII Conference Centre, London
- DHSS: Lord Skelmersdale attends Association of Chief Ambulance Officers council meeting, London
- DOE: Mr Waldegrave addresses the Adam Smith Institute, London
- DOE: Mr Trippier visits Barking and Dagenham
- DOE: Mrs Rowe visits Loughborough (housing)
- DOE: Mr Moynihan tours the Williams Grand Prix factory, Didcott
- DTI: Mr Clark hosts lunch for Zimbabwean Minister of Energy, Water Resources and Development
- DTP: Mr Mitchell starts off the London to Australia Taxi Race on behalf of the British Lung Foundation, British Transport Museum, Covent Garden, London
- FCO: Mrs Chalker addresses Foreign Affairs Backbench Committee
- MAFF: Baroness Trumpington opens Vegex '88, Boston, Lincs
- OAL: Mr Luce makes arts visit to Wales (to 18 May)
- ODA: Mr Patten addresses overseas members of the Commonwealth Parliamentary Association, Jubilee Room, House of Commons
- WO: Mr Roberts attends Welsh Development Agency Inward Investment lunch, House of Commons

MINISTERS (OVERSEAS VISITS)

- DEM: Mr Cope attends informal meeting of European small firms Ministers, Holland (to 19 May)
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TV AND RADIO

'Today': BBC Radio 4 (6.30)

'Business Daily': C4 (12.30)

'The Parliament Programme' C4 (14.00)

'The Local Network': BBC Radio 4 (16.05) It Gets Right up my Nose - smell pollution

'The Cook Programme': ITV (20.00)

'Viewpoint 88: In Search of the Assassin': ITV (22.35)

'Brass Tacks': BBC 2 (20.30) Tested to Destruction - military training

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

'Newsnight': BBC 2 (22.55)
