

22 July 1988

PRIME MINISTER

MAIN EVENTS

Prime Minister opens London Pavilion, Piccadilly  
The Queen and Duke of Edinburgh visit Devonport and Plymouth  
Vassiliou and Denktash meet UN Secretary General in New York  
? Thyssen announcement  
? EC Commissioner announcement

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STATISTICS

BSA: Building societies monthly figures (June)  
CSO: Preliminary estimate of consumers' expenditure (2nd qtr - prov)  
DTI: Finished steel consumption and stock changes (1st qtr - final)

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PUBLICATIONS

OPCS/DHSS: Infant feeding social survey report 1985 (prov)

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PARLIAMENT

Commons

Business: Debate on the White Paper "Reform of Section 2 of the Official Secrets Act 1911" (CM408) on a Motion for the Adjournment

Adjournment Debate: The provision of cancer treatment in North Wales  
(Mr B Jones)

Lords: Starred Questions

Criminal Justice Bill (HL): Consideration of Commons Amendments

UQ to ask HMG what action they are taking to persuade the Netherlands to join all the other signatories in ratifying the Agreement to establish the European Foundation

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MINISTERS - See Annex

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PRESS DIGEST

While you defend Chancellor and praise his Budget and handling of Stock Market crash, he makes a speech to IEA which is interpreted as yet another "declaration of independence".

Pound up 1.75 cents to \$1.7255 after heavy intervention from Bank to stop it going too high.

Oxford Economic Forecasting predicts inflation over 6% by beginning of next year.

Abbey National, Nationwide, Anglia and Woolwich follow Halifax in hoisting mortgage rates to 11.5%.

City analysts think interest rates will have to rise higher if the housing boom is to be damped down.

Kinnock suffers another rebuff - 19 hard liners pledge to break law over community charge. Mirror says Labour's alternative to community charge is also unfair and should be dropped.

Prince Philip attacks greed of world governments pushing economies onwards at expense of ecology. Rush for growth is destroying world.

You intend to restore dental and eyesight test charges after Lords' amendments.

Survey shows nearly half LEAs having difficulty recruiting teachers for vital subjects - science, maths and English.

Local Government Information Unit, Labour oriented body, condemns Government's proposed Widdicombe reforms as "worst form of political spite".

Michael Meacher claims Zeebrugge, King's Cross and Piper Alpha were not "accidents"; they were disasters waiting to happen.

British Rail blamed for deaths of boy and three passengers who died when a rail bridge collapsed and train fell into Welsh river.

Red Adair puts out Piper Alpha fires; lawyers meet in Aberdeen to co-ordinate compensation claims on behalf of victims' families.

Shorts offered for sale.

PRESS DIGEST

Slowdown in fast reactor research and development to cut 1,500 jobs over time.

Boeing places £157million "offset" orders so far as part of AWACS deal.

Mail says teachers are being offered "golden hellos" worth over £4,000 to work in high cost areas.

Trevor Clay, RCN, accuses health officials of trying to downgrade nurses and of conning them out of their rises; thousands will leave if they do not get what they are entitled to.

Guardian says Edwina Currie did not rule out further funding of nurses' regrading.

Scargill's HQ staff describe him as "a feudal lord" in pay row; they want to go to ACAS.

Robert Maxwell launches bid for US publisher, Macmillan Inc.

Woman who suffered brain damage in operation blunder awarded £655,126 damages; husband says it is not enough. Earlier turned down £850,000.

After murder of London woman with crossbow, Star buys one in Strand for £60 with seven deadly bolts. Today says their sale should be banned.

Government ready to give random breath tests a try, according to some newspapers.

You seem to reject identity cards as a means of curbing crime, but some Tory MPs support them.

Six year olds being taught anti-police rhyme at Brent school (Express).

BBC staff expect prosecutions after Legionnaires' disease outbreak.

Telegraph says British Telecom is favourite to win contract to televise Commons.

Norman Fowler refuses to attend tourism awards event because one of the recipients is a member of Sinn Fein.

PRESS DIGEST

Colin Moynihan in political row after revelation that his rowing club was represented in regatta by South African students.

Leon Brittan's appointment as EC Commissioner expected today - a worthy alternative to Westminster, Telegraph says.

Mail says crowning of Dukakis was a big switch off for TV viewers and they are considering cutting their broadcasting time for Republican Convention.

CHANCELLOR

Sun - I'll do it my way - Lawson puts job on line in row with Maggie. But he receives a pat on the back from you. His speech an amazing challenge to your authority and a massive gamble over his future.

Sun cartoon shows you nursing child Nigel and DT asking "How much more reassurance does he want?"

Mirror - You try to kiss and make up with Chancellor.

Today says Chancellor is under intense pressure to make a quick decision on whether to carry on or join an American bank as £300,000 a year chairman.

Express - I know best, says "brilliant" Lawson - defiant Chancellor makes clear that as long as he is in office he will run the economy his way and shows differences with you remain. He warns home buyers not to be lured into borrowing more than they can afford.

Mail page 1 lead - My brilliant Chancellor - you lavish praise on Chancellor in remarkable show of support and "virtually canonise" him. But he issues his own declaration of independence. While you were trying to smother the corrosive argument in a blanket of praise he was pointing it up.

Telegraph page 1 lead - Thatcher seeks to mend fences with Chancellor. But while you were attempting to keep him on board he was reasserting his belief in stable exchange rates.

Ferdy Mount, in Telegraph, says return of Alan Walters is not nearly as significant an event as it is cracked up to be. In a sense he never went away. He sees the blame resting in the FCO for a failure to map out the kind of EC we are looking for.

PRESS DIGEST

Guardian page 1 lead - Prime Minister seeks to calm fears over Lawson.

Independent - Prime Minister sings Lawson's praises. You go out of your way to praise the Chancellor after receiving a welcome from the 1922 Committee which was markedly less warm than that for Mr Lawson at a backbench finance committee meeting on Tuesday.

Times - You were clearly straining every sinew last night to keep "quite brilliant" Chancellor on the team. Yesterday you three times endorsed his record. Although Conservative MPs were relieved by your replies yesterday they were unhappy that for a second time this year you had had to give public endorsement to your Chancellor. Meanwhile the Chancellor speaking at the IEA made it clear that he would continue to run the economy his way, and that included intervening in the foreign exchange markets where necessary.

FT page 1 lead - Prime Minister praises Lawson in effort to repair damaging differences. You attempt to quash suggestions that you and Mr Lawson remain at odds over economic policy; and the Chancellor gave a glowing assessment of Britain's economic performance. Inside, there are extracts from his speech.

LABOUR POLITICS

Sun leader asks whether, as Kinnock slumps in polls, Labour is finally out for the count and rejects the idea. Opportunity can still knock. And a vigorous Opposition would be a good thing.

Mirror leader says Labour went out of power when it ran out of ideas and it won't get back until it gets some good ones and sticks to them. While community charge is unfair, Labour's property tax and local income tax alternative will be the same. The sooner this idea is dropped the better.

LOCAL GOVERNMENT

Today leader on Widdicombe policy says, as if on cue, Islington Council demonstrated that a shake up is necessary by deciding to sell a number of properties to a housing association at prices which would hardly buy a garage. A few years ago a code of conduct would have been unnecessary. Islington shows it is essential.

Express - Town Hall jobs for boys ban in clamp on Lefties. Law plan unveiled just days after Bellos row.

PRESS DIGEST

Mail - 10,000 'jobs for boys' to go.

Guardian - Proposal to ban town hall chiefs from politics.

YOUR 1992 SPEECH

Where it is not subsumed in economic story with your praise for Chancellor's "brilliant" budget and "marvellous" handling of Stock Market crash...

Today has a story headed "Young have never had it so good".

PRIVATISATION

Sun leader applauds water privatisation but sees danger in swapping a public for a private monopoly. It must be made clear that any increase in charges has to be justified to last penny.

Times leader is critical of the way Nicholas Ridley and officials at his Department are handling water privatisation, saying that little thinking or planning appears to have been done compared with Cecil Parkinson over the privatisation of electricity. It concludes that no doubt Mr Ridley will have a more plausible grasp of his brief by the time he publishes his Bill. He will need to show that his Department has actually thought through the issues if the proposals are to earn respect.

BARLOW-CLOWES

Times says DTI failed to prosecute Barlow-Clowes for trading without a licence in 1985 because it had earlier suggested that it did not need one; Spicer & Oppenheim internal memo shows that Barlow-Clowes' former auditor was concerned in September 1986 that money belonging to investors might be deliberately switched into offshore funds to balance their books.

INDUSTRY

Times - Professor Ronald Smith pledges no more job losses at Rover saying it will have more workers than at present by the time BAe takes over in the 1990s.

Times - BA tipped for 30% stake in privatised Air New Zealand.

Independent - Closure threat to Sunderland shipyard increases as Government finally rules out state aid to help yard secure orders for Cuban cargo vessels.

PRESS DIGEST

Independent - Advisory Board for the Research Councils makes desperate plea for more Government money to fund scientific research.

FT - Ken Clarke tells the Commons that the two state-owned Sunderland shipyards will close by the end of September with the loss of 4,000 jobs if no private sector buyer comes forward.

FT - PAC expresses concern over costs incurred in marketing British Gas and British Airways sales.

FT - ICI hopes for Tokyo stock exchange listing by the end of the year.

FAST BREEDER REACTOR

Independent - MPs taken aback by the announcement of the virtual withdrawal of the nuclear fast breeder programme. Unions condemn the decision as myopic and a cruel waste. Industry observers say it could lead to Britain being dependent on foreign technology if uranium prices rise in the future and it becomes necessary to invest in fast reactor technology.

LAW & ORDER

Independent - Moscow tells independent inquiry headed by Sir Thomas Hetherington that it will give permission for its citizens to go the West to give evidence against suspected Nazi war criminals living in Britain.

Independent - Ministers are considering imposing copyright law on civil servants to prevent leaks not covered by the reformed Official Secrets Act.

EDUCATION

Times - Director of LSE calls on Government to press for a European voucher system under which governments would provide students with a voucher worth the full cost of their tuition fees which could be spent at any European university because at present British taxpayers are giving students from the continent virtually a free ride.

PRESS DIGESTEC

Independent - Chancellor Kohl announces national conference on Europe this autumn which will allow German industrialists and unions to thrash out the implications of the single market. German enthusiasm for the Community has cooled dramatically and the country now joins Britain and Denmark in the league of countries with a minority in favour of membership.

FT - EC plans tougher rules on car industry barriers, clamping down on state aid, scrapping bilateral import restraint agreements with Japan and abolishing remaining technical barriers to Community trade in cars.

GULF WAR

Independent - Arms dealers claim that Iran's sudden acceptance of UN resolution on a ceasefire was forced on it by a catastrophic lack of armour and artillery. British companies appear to be badly placed to take advantage of the business upsurge if the war ends.

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TV AND RADIO

'Today': BBC Radio 4 (6.30)

'My Country Right or Wrong': BBC Radio 4 (11.00) Is a secret service compatible with an open society?

'Business Daily': C4 (12.30)

'The Parliament Programme': C4 (14.00)

'Ebony': BBC2 (19.00) Impact on sanctions on South Africa and the response of governments in the West

'Reagan on Reagan': C4 (20.15) Legacy. Third and last in series

'Any Questions?': BBC Radio 4 (20.20) With Judge James Pickles, Austin Mitchell, Ken Blakeson and Joan Hall

'Law in Action': BBC Radio 4 (21.05) Issues from the courts and Parliament

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

'Newsnight': BBC2 (22.55)

'The Week in the Lords': BBC2 (23.45)

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MINISTERS (UK VISITS, SPEECHES ETC)

- DES: Mr Baker addresses the Industry Matters conference; later visits Hampshire LEA
- DHSS: Mr Moore visits Brigstock Medical Centre, London and opens Thornton Heath Health Centre
- DOE: Mr Ridley visits the North West
- DTI: Lord Young visits BBC Research Establishment, Guildford
- HO: Mr Hurd visits Swindon (race relations)
- MAFF: Mr MacGregor opens Sea Defence Capital Works at Horsey, Norfolk; later addresses Norfolk County Farm Tennants, Norfolk College, Easton
- SO: Mr Rifkind and Lord Sanderson visit Game Fair, Floors Castle, Kelso; Mr Rifkind later addresses Tech '88 project at Edinburgh University
- DES: Mr Jackson visits Culham College Institute, Abingdon, Oxfordshire
- DES: Mr Dunn attends prize giving at the Porton House School for the Blind in Sevenoaks
- DHSS: Mrs Currie visits Islington Social Services
- DHSS: Mr Newton addresses National Childrens Homes conference, London
- DHSS: Lord Skelmersdale visits Leeds War Pension Office and chairs North East War Pensions Committee Chairman's meeting
- DOE: Lord Caithness visits the Royal Commission for Historic Monuments in London
- DOE: Mr Trippier addresses Operation Groundwork event in St Helens
- DOE: Mrs Roe visits Surrey
- DOE: Mr Moynihan visits Greater Manchester to promote unleaded petrol
- ~~DTI:~~ Mr Maude visits financial/investment institutions, West Midlands
- DTP: Mr Bottomley attends Open Question Time at the close of Eurosafe '88 conference, Guildhall
- HO: Mr Hogg opens Littlehey Prison
- OAL: Mr Luce addresses opening of Matthew Arnold exhibition, Grasmere, Cumbria
- SO: Lord Sanderson visits Game Fair, Floors Castle, Kelso
- SO: Mr Lang opens new Visitor Centre for Coloroll Edinburgh Crystal, Pennicuik, Midlothian
- WO: Mr Roberts visits Craft Council, Welshpool; later opens Bangor Service Treatment Works
- WO: Mr Grist attends Mental Illness Symposium, St David's Hospital, Carmarthen
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