

MAIN NEWSPAPER STORIES - FRIDAY 26 AUGUST 1988

Chancellor takes 'emergency action' to 'cool the economy' by raising base rates after a record £2.15 billion current trade deficit. Figure nearly 4 times that predicted by Chancellor in Spring budget.

'Nigel is paying the price for his tax cuts'.

Mortgage rates set to rise to at least 12.5 per cent.

Calls for credit controls to be introduced.

British Board of Film Classification decides that American film 'The Last Temptation of Christ' is not blasphemous. Film granted an '18' certificate and will go on general release end September.

Sudanese PM anxious to placate Britain over Aid attack.

Maze escaper, Robert Russell, due to be extradited to Northern Ireland has been moved from Portlaise to Mountjoy jail yesterday amid fears that IRA plotting to free him.

International spy ring - which had been selling top secret Nato contingency plans to Hungarian intelligence - uncovered by German and American counter intelligence agencies.

Kenneth Baker presents 'first olive branch' to the NUT. He said that he would not use his new powers under the Education Reform Act to deprive teachers of their right to appeal against dismissal.

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Police have prepared special 'snatch-squads' to combat groups of 'steamers' expected at the Nottinghill Carnival.

Child criminal care orders may disappear. Changes expected to form part of Child Care Law Bill in Autumn.

In pre-congress interview Norman Willis said that PM should 'open the door' to consultations with unions on current economic difficulties.