

17 March 1989

PRIME MINISTER

MAIN EVENTS

The Prince of Wales visits Saudi Arabia (to 19 March)

EC: Informal meeting of Education Ministers, Segovia, Spain (to 18 March)

HMS Sandown accepted into service

EC: Meeting of Co-ordinators on Free Movement of Persons, Brussels

? Judgement in Hickey Appeal Case

St Patrick's Day

Peter Bottomley launching motorway litter cleaning campaign

STATISTICS

CSO: Gross domestic production (4th qtr-prov)

DTI: Engineering, sales and orders at current and constant prices (Jan)

PARLIAMENT

Commons

Business: PRIVATE MEMBERS' MOTIONS

1. Miss Joan Lester - Overseas Aid
2. Mr Ian McCartney - Security/Door Control Companies
3. Mr Henry McLeish - To be confirmed

Adjournment Debates: Regulation of Local Government Superannuation Schemes: The case of Derbyshire County Council (Mr P Oppenheim)

MINISTERS - See Annex

PRESS DIGESTMain News

Paul Channon strongly defends his handling of Lockerbie disaster bomb warnings after cover-up claim by Labour and further calls for his resignation.

Today and Mail claim the terrorist who planted the bomb, a member of the Popular Front for the Liberation of Palestine (General Command), is under close arrest somewhere in Europe.

"Sorry You're Dead, our letter was late" (Mirror);
"Channon on the Rack" (Express);
"Channon hits back over 'bomb warning' row" (Times);
"Pan-Am knew of bomb threat" (Independent);
"Channon in storm over crash alert" (Guardian);
"Pan-Am killer tracked down" (Mail).

John McGhee, head of Pan-Am quits job in Britain and returns to US to join an international hotel group (Today).

CBI Director General John Banham says you are presiding over "locust years" of under-investment and excessive consumption (Times).

DTI figures today will show that the value of takeovers by British companies for overseas companies last year was nearly three times the value of bids by foreign companies for British ones (Times).

Mail says another significant milestone has been passed in the campaign to bring full employment back to Britain.

Swissair and Delta of US going into partnership to form one of the largest international airline groups.

Derby emerges as a front-runner along with Cardiff and Humberside for Toyota's £600million car plant (Telegraph).

Jaguar workers finally accept new pay deal of £8 a week plus extra bonuses.

£600million rescue package for Harland & Wolff is expected to be announced by the Government next week. NIO officials are said to be confident that the details will be agreed in time for approval at next Thursday's Cabinet (Guardian).

Government and Harland & Wolff chairman, John Parker, are close to agreement on management buyout of the company. It is understood the shipyard's future was discussed at Cabinet yesterday (FT).

PRESS DIGEST

West German's MBB withdraws its offer to take over Short Brothers (FT).

TUC plans to double seats for women on its ruling General Council (FT).

Star - Budget plans to slash price of unleaded petrol backfires as major oil companies are accused of raising the cost of ordinary petrol; leader calls it highway robbery.

Express leader says that motorists are so familiar with the opportunism of oil companies that their latest stunt will hardly surprise.

Alan Walters, a fierce critic of the Chancellor's easy money policies last year, gives enthusiastic support to this year's Budget (Telegraph).

Official statistics suggest economy is overheating. Irritation with petrol companies who are undermining counter-inflationary strategy by raising petrol prices after excise duties were held down in the Budget (Independent).

Today leader says there was never much to sing about in the Budget, but oil companies and MPs have managed to put a sour note in its best tune.

Ferdinand Mount, writing in the Telegraph, notes that although Mr Lawson has produced a prudent mid term sort of Budget he is acting in a "fog" - unsure of how effectively his credit squeeze is working, or how much of the £14.5 billion trade deficit is genuine and how much due to statistical error.

Labour aims to cut basic rate of tax to 15% (Independent).

Stock Exchange's £60 million plan for centralised paperless share transfer dealing rejected by industry-wide committee in favour of more modest electronic scheme (FT).

Poll shows falling support for soccer identity cards, from 80% in favour in October to 52% now (Guardian).

Norman Tebbit says he is not interested in the job of your right-hand man (Guardian).

Gas bills to rise by 3.3%.

PRESS DIGEST

Electricity prices in some regions are likely to rise by 7-10%, CBI claims (Guardian).

Labour predicts that sale of electricity will cost taxpayers £1 billion (Independent).

You personally kicked off the Government's campaign to sell water privatisation by telling MPs you have very good messengers, and they had a very good message (Express).

Heseltine urges ministers to keep their nerve over water privatisation and suggests it should be tied to the creation of an anti-pollution fund to speed the water clean-up (Times).

Guardian leader argues that if only you would allow public enterprises to borrow more, like other businesses, they wouldn't need to be privatised in order to raise money. You cannot pretend that there will be real competition.

You insist that higher water charges will mean better service as the Government sets about defending water privatisation (Independent).

Concern over water privatisation and high interest rates is likely to dominate this weekend's gathering in Scarborough (Telegraph).

Today leader says water is turning out to be the most difficult privatisation yet, but it would be a big mistake to ditch it.

Department of Energy civil servants using bottled water to brew tea because tap water is contaminated.

The US is expected to take the lead in calling for a change in world energy policies. A report by its Environmental Protection Agency suggests ways of tackling climatic change brought about by the greenhouse effect. This will seize from you the lead in tackling world environmental problems and is likely to cause you some embarrassment as your Government has not yet confronted the changes in energy policy needed to fend off climatic change (Telegraph).

Council of Her Majesty's Circuit Judges sends circular to 400 circuit judges enlisting opposition to law reform proposals but barrister MPs led by Ivor Stanbrook urge Government not to give in to the "voices of reaction" (Times).

PRESS DIGEST

FT leader on law reform says halfway through their consultation period the Green Papers seem to have drifted away from their objective. The Bar has succeeded in focussing discussion on survival of the Bar as a professional guild. But even with its shortcomings, the proposals point the way to a different and better legal profession.

Lord Callaghan tells Guardian that he favours a system of independent scrutiny for MI5.

GPs are forced to dial 999 to secure hospital beds for their patients needing emergency treatment because of shortages (Independent).

Royal College of Nursing joins medical profession in strong condemnation of NHS reforms.

Cadburys recall thousands of chocolate bars after some products found to contain Enterococcus, a pasteurised milk bug normally killed off during chocolate making (Star).

Family doctors to be allowed to advertise their services.

Thousands of baby food dinners recalled after pieces of glass found in jar.

"Prime Minister on speed limit", as Brussels decides to base new speed limits on metric measurements (Guardian).

Jobless Britons sell themselves for £50 in sham marriage racket (Mail).

Law Commission urges a new flexible form of mortgage to avoid conveyancing chains, cut out delays and defeat gazumping.

New housing trusts will go ahead in Lambeth, Southwark, Leeds and Sunderland (Independent).

Brian Clough accuses the Government of being the most selfish for 100 years as he opens a home for 54 single homeless people in Nottingham (Mirror).

Man cleared of beating up young women who Judge Pickles jailed for contempt, to issue writ for libel against the judge if he can get legal aid.

PRESS DIGEST

Newcastle traffic patrolman fighting for his life after two police vehicles crash during another high-speed chase (Mail).

George Gale, writing in the Mail, says there is no real reason for you to honour Mr Thatcher although he plays his awkward role with skill and remarkably good humour.

Biggest annual drop since 1954 in crime figures, but crimes of violence continue their sharp upward trend (Telegraph).

Mother who was conscious during Caesarean birth awarded £18,000 agreed damages.

Mum seeking help for her sick baby has phone cut off for half an hour after losing temper with girl operator (Sun).

European Space Agency defers until October decision on earth monitor platform to head off potential row between Britain and France over which country would take the lead (FT).

A new peace in Africa drive got under way yesterday with you and Mr Gorbachev both intent on finding a solution to the apartheid crisis (Express).

You are optimistic that negotiations on the future of South Africa could begin as soon as Nelson Mandela was released and that this could happen soon (Independent).

US Air Force is pressing ahead with plans to regain nuclear strike capability, given up in INF treaty, with a new generation of nuclear missiles to be fitted to F-111s based in Britain (Guardian).

Papandreou accepts resignation of entire Greek cabinet (Guardian).

LOCKERBIE

Mail leader under the heading "A fatuous performance" says that once again confusion reigns over the Government's handling of a matter of keen public support.

Star leader says Paul Channon is a disaster and that he should go now as his handling of the Lockerbie bombing was utterly inept.

Sun leader says the Transport Department's lethargy is unforgiveable adding that Paul Channon should be sent on permanent vacation.

PRESS DIGEST

Express - Tory backbenchers have become increasingly anxious over Paul Channon's "clumsy" handling of disaster. Leader says that he must clear up the confusion quickly. It adds that the Opposition is having a field day, but, as usual, John Prescott is generating lots of heat and little light over what is a confused situation.

Pan-Am admits it was warned about radio cassette bombs in November by the FAA. Police in Lockerbie rule out any link between the Helsinki phone call and the Lockerbie disaster (Independent).

Times - Row over "lost warning" intensifies as Channon hits back at most damaging series of disclosures. Crash investigators have now determined the identity of the bombers and their whereabouts; leader says the Government has given a muddled response to the problem. Mr Prescott is justified in his continued pressing of Mr Channon, who has not been as candid as the Commons could reasonably expect. If he cannot expand on his previous statements, the outstanding questions must be aired at an inquiry.

Mirror - Mayor of Lockerbie calls for your resignation and that of Paul Channon over cover-up about what information was available before explosion. Leader says the Government has become arrogant, dishonest and incompetent over events which lead to the disaster and has been covering up for its blunders ever since. It concludes by calling for Paul Channon's resignation.

POLITICS

Joe Rogaly, in the FT, says the only danger facing you as you approach the 10th anniversary is that you could lose your sense of proportion. But you know how to handle the rough stuff and you can be serenely confident about the future.

MIDDLE EAST

Iran has failed to win the backing of the Islamic Conference for Khomeini's death sentence against Salman Rushdie (Independent).

Islamic Ministers declare Rushdie an "apostate". Many delegates to their conference say it will be interpreted by Muslim extremists as further justification for seeking to kill him (Times)

Times leader detects signs of a change in Washington's approach to the Palestinian issue. It welcomes the fact that the White House is starting to call the shots, particularly James Baker's suggestion that Israel may itself have to talk to the PLO.

MINISTERS (UK VISITS, SPEECHES ETC)

- DEM: Mr Fowler speaks at National Economic Development Council Tourism and Leisure Group national campaign launch, London
- DTI: Lord Young speaks at the Computing Services Association national conference, London
- DTp: Mr Channon starts the Channel Tunnel boring machine
- MAFF: Mr MacGregor opens British Sugar new laboratories, Colney; later visits University of East Anglia Agricultural Committee, Norfolk
- SO: Mr Rifkind addresses Confederation of Scottish Local Authorities, Dunblane Hydro, Dunblane; later addresses Japanese Inward Investment seminar, Burrell Gallery, Glasgow
- DEM: Mr Cope launches South London Enterprise Consortium, London
- DEM: Mr Nicholls visits Exeter Police Training Centre and gives opening remarks at National Examination Board for Supervisory Studies 25th anniversary celebration in Exeter
- DEN: Baroness Hooper visits Mersey Barrage Company, Liverpool; later visits Capenhurst
- DH: Mr Mellor opens Hampton Wick Surgery, Kingston
- DOE: Lord Caithness attends Association of County Council's Pollution and the Environment conference, Preston
- DOE: Mr Gummer visits Derbyshire County Council and Derbyshire Dales District Council re the Rate Support Grant and implementation of Community Charge
- DOE: Mr Howard visits Norwich and visits Anglian Water Authority; later lunches with local editors
- DOE: Mrs Bottomley visit Forestry Commission, Farnham; later visits Parallel Group Waste Disposal Plant, Yateley, Surrey
- DOE: Lord Hesketh visits Birmingham Waterways Board
- DOE: Mr Trippier visits Billborough, Nottingham; later opens Beechdale Engineering Works, Nottingham
- DTI: Mr Forth speaks on Enterprise Initiative in Telford
- DTI: Mr Atkins speaks at South Ribble Borough Council, 1992 conference
- FCO: Mr Chalker addresses the Federal Trust for Education and Research, Wilton Park
- MAFF: Mr Thompson meets Yorkshire Area Agricultural Advisory Committee, Ripon Spa
- SO: Mr Forsyth visits hospitals in the Borders
- WO: Mr Roberts addresses Wales in Europe seminar, Cardiff; later addresses Information Technology conference, Llandrindod Wells
- WO: Mr Grist officially opens Drug Addicts Day Centre, Cardiff
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MINISTERS (OVERSEAS VISITS)

DES: Mr Jackson attends EC Education Council in Segovia, Spain

MINISTERS (PRESS INTERVIEWS)

FCO: Mr Waldegrave interviewed by BBC Arabic Service

HMT: Mr Lilley gives Budget interview to Anglia TV

TV AND RADIO

'Analysis': Radio 4 (11.00) looks at the new freedoms of the Soviet bloc countries

'Any Questions?': BBC Radio 4 (20.05) with Norman Lamont, Tony Blair, Alan Beith and Bridget Rosewell (economic consultant)
