

February 16, 1990

PRIME MINISTER

MAIN EVENTS

Prince of Wales visits USA

EC/ASEAN Ministerial Meeting, Kuching/Malaysia (to 17 February)

STATISTICS

British Steel PLC/BIS: Usable steel production (Jan)

CSO: Retail prices index and tax and price index (Jan)

HMT/CSO: Public sector borrowing requirement (Jan)

OPCS: Fourth revision of the classification of surgical operations and procedures

PARLIAMENT

Commons

Business: PRIVATE MEMBERS' BILLS

Sexual Offences Bill: 2nd Reading: Sir William Shelton

Agricultural Holdings (Amendment) Bill: 2nd Reading: Mr A Carlile

Greyhound Betting Levy Bill: 2nd Reading: Mr A Meale

Adjournment Debates: Government policy on the ivory trade and the threat to the African elephant (Mr H Cohen)

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PRESS DIGESTMain News

Media try to stir up Tory "panic" over the economy and community charge.

Mirror: Election disaster fear unless Chancellor acts. Mail: Fury in the heartlands. Guardian: Cabinet plan to ride out anger over mortgage rate risk.

But Barclays and NatWest hold their mortgage rates if base rates remain same.

Govt warns those councils setting expensive community charge that they will be "charge capped" (Times).

Chancellor offers no let up in high interest rates until inflation battle is won.

Unemployment at its lowest level for 9 years; 1.5million have found jobs over last four years.

Industrial Relations Services say pay settlements continue to edge ahead of inflation, with going rate of up to 10% (Independent).

Mirror claims Chancellor is to sell off remaining B/Telecom shares - to be announced in Budget.

Meanwhile, Joe Haines, in Mirror, says through Bryan Gould's "unquenchable desire to put his foot in it, Labour is in grave danger of squandering its biggest single vote winning issue: community charge.

And Kinnock is forced to cancel his speech to teachers' demo at Commons as NUT audience of 500 melts away to hear Bob Cryer speak elsewhere.

Paul Johnson, in Mail, writes about Kaufman - Is this the most odious man in Britain.?

Kohl reassures East and West Germans unification will not endanger livelihood or welfare of either people and says goal of unity has "never been nearer" (Independent).

East German Govt seeks to allay fears unification will lead to "annexation" of the country, saying West Germany had made clear they would not bully east into acceptance (Independent).

PRESS DIGEST

East German Govt accuses Bonn of trying to destabilise the country to force an early currency union, and calls on its citizens not to heed rumours "spread from other capitals" that its currency is near collapse (Times).

Sun tells West Germany, with the richest economy in Europe, that they cannot be serious rattling the begging bowl in front of Britain to help pay for unification.

Telegraph says Britain's 3,800 strong Berlin garison is expected to be cut dramatically or withdrawn after 4-power meeting.

A direct threat to its political independence brought the Bundesbank into line on monetary union with East Germany (Independent).

Behind the scenes the French are becoming more alarmed with every new move that Kohl makes to accelerate Germany reunification says the Times).

Oxford lecturer in international relations, James Sherr, writing in the Times, under the heading "Beware the bear in retreat" argues that troop reductions in the Warsaw Pact do not eliminate the need for a strong Western military alliance.

Latvia votes to become independent.

In a candid speech to Canadian MPs Shevardnadze defends his "sick country", and seeks to overcome the view Russia lost out in "Open Skies" agreement on troop numbers in Europe (Independent).

Leningrad has banned non-residents from its shops as shortages grow (FT).

Civilians join military protestors in Romania in demanding purge of senior military officers (Independent).

Much coverage of report which suggests fathers working at Sellafield may have passed on leukaemia to unborn children. It is dubbed by Mirror - The Doomwatch Report. Govt promises urgent consideration.

Mandela indicates that the ANC may be prepared to compromise on its demand for one-man, one-vote political system (Times).

Most British Tory MEPs and other Conservative elements at Strasbourg vote against sanctions against South Africa, but Euro Parliament votes 94-51 to maintain pressure.

PRESS DIGEST

10,000 Rightwingers demonstrate in Pretoria against de Klerk's reforms.

South African police say they suspect the army in killing of activist (Independent).

Kinnock issues statement saying he did not vote against sanctions in 1984, as alleged by Independent. Matter now in hands of his solicitors.

Britain and Argentina resume diplomatic relations.

Times leader says this will be received with relief in Washington, with uneasiness in Port Stanley and with satisfaction in Buenos Aires. It adds that the decision represents a considerable diplomatic success for Menem. It will also open up new export markets for Argentina including the EC.

China yesterday decreed final shape of Hong Kong's political system after 1997, setting sharp limits on pace of democratic reform well into the next century. Hong Kong legislators accuse UK of betrayal over the negotiations (Independent).

Independent editorial says that in the knowledge the Chinese could cause chaos in Hong Kong before 1997, the British negotiating team adopted an attitude of pre-emptive cringe. While there were signs after Tiananmen Square that Britain would hold out for 25 directly elected seats in 1995, the outcome of negotiations shows Britain backed down over the central issue. The cringe had become a habit.

In a critical leader under the heading "An Unacceptable Accord" the Times says that as a result of Britain accepting China's proposals it is now clear that Britain cannot both meet its due to Hong Kong and accept the result of the Basic Law negotiation.

Telegraph leader says Peking has got what it wants. The introduction of democracy will be slow. The British Govt's hand was never strong but there can be no cause for celebration in finding Britain reduced to mounting a rescue operation as the last major act of empire.

FT leader says the rout of the British by the Chinese marks another unhappy defeat for Britain as an outgoing colonial power. The humiliation of British negotiations by Peking's tacticians on the introduction of democracy to Hong Kong is all the sadder for its predictability.

PRESS DIGEST

British bottled water companies rush to cash in on Perrier's misfortune.

Mersey ambulance crews expected to vote for all-out strike (Times).

Channel Tunnel project is days away from running out of cash after construction consortium refuses to accept proposed management changes (Times).

RACAL to study developing a private telecommunications service built upon the Govt's Data Network (FT).

Richmond Report on food safety makes few waves - no doubt because it praises Govt Depts.

Farmers press animal feed manufacturers to list ingredients in their products following crisis linked to contaminated feed (Times).

Sir Simon Gourlay announces his intention to quit as president of NFU "two days after being eclipsed" (Telegraph) by John Gummer at NFU AGM.

OFT warns the £5 billion a year furniture and carpet industries that they should give customers a better deal or face legal curbs (Times).

Coventry NE MP, John Hughes, claims his de-selection was rigged.

Govt rejects all-party demands for independent cttee to monitor working of student loans scheme (Independent).

Lord Beloff makes critical and sustained attack on Govt higher education changes and its market philosophy (Independent).

DTI being prepared for the axe, Labour's Gordon Brown claims. He says Labour would revise rundown of DTI and party would want effective partnership between Govt and industry (Independent).

17 B/Rail staff at Euston arrested on suspicion of being illegal immigrants.

Another case of a Rottweiler attack - this time on two middle aged women in Barnsley. Mirror wants keeping of dangerous dogs at home banned. Today says Govt can't leave control to local authorities who mostly could not care less.

PRESS DIGEST

Sun puts on record its deep debt to the police for their protection at Wapping day after formal publication of investigation into police handling of riot. Met Police reject criticism in report.

Shake up for probation service proposed by Govt.

Home Office plans come under immediate attack from chief probation officers and rank-and-file who say they will be unworkable (Times).

Survey shows that London's magistrates' courts are dirty, crowded, have almost no refreshment facilities and, at best, basic toilets (Times).

Sky TV slashes Murdoch profits by more than £65million.

Lord Chancellor announces proposals to curb excessive libel awards (Independent).

Anglican weekly paper "Church Times", calls for homosexual priests to be more openly acknowledged and accepted (Independent).

You put pressure on BBC not to allow "Panorama" to denigrate UDR in the programme due to be screened next Monday (Independent).

Bob Hawke calls Australian General Election for March 24.

4-power Summit in Colombia involving USA, Peru, Bolivia and Colombia presidents who join a "cartel" against drugs proclaimed a success.

Israel denies peace talks held with Syria (Independent).

Swedish Premier resigns after opposition parties defeat Govt on pay restraint.

SELLAFIELD

Star - Sellafield has been a catalogue of cover up and demand. It is glad the Govt has had the guts to come clean about the latest scandal. Now let us have the whole truth.

Today - Never again will we take at face value the soothing words from BNFL. There must be a complete and urgent review of safety procedures at every nuclear plant in Britain. More honesty from BNFL is overdue.

PRESS DIGEST

Times leader says that so serious are the implications of this discovery that the only sound basis for public policy in response must be to act as if the suspicion was already proved. Further research is essential, but it must not be used as an excuse for delay.

ECONOMY/COMMUNITY CHARGE etc

Sun feature on "danger signs Tories can't ignore" says there is deep depression in the Cabinet over the political effect of the community charge combined with the rise in mortgage rates.

Express on why councils must take the community charge hint says Westminster's £195 is a timely reminder that there will be roughly the same number who gain as well as lose from the charge. It also reminds us what it is about: injecting much needed self-discipline into local govt.

Express reprints article by Editor of Punch who asks "Are we really serious about putting Labour into No 10 ... while new rulers in Eastern Europe learn lessons from Thatcherism?".

Mail leader says the mortgage illness needs urgent care. You owe it to homebuyers who feel let down to find a solution.

Independent editorial says that community charge is worse than unfair, it is inept, and allows profligate Labour authorities an excuse to raise their income while blaming the Govt. Saying that, at your direct instigation, the level of local Govt "spend" was underestimated, it concludes that the community charge is emerging in its true colours as a centralising measure designed largely to force local authorities to curb expenditure.

Peter Kellner, writing in the Independent, suggests that you would like to see the raising of the ceiling for mortgage tax relief, but says Mr Major and the Treasury are against this. How the mortgage rate battle is resolved will, he says, tell us much about the state of the Govt and will be a test of Mr Major's sovereignty.

Telegraph - Tory MPs sound mortgage alarm. Ferdy Mount, in Telegraph, says the community charge will not single handedly lose the election for the Tories. After all the economy looks pretty robust to many observers who might be expected to be despondent. But he thinks the upheavals in local govt are not yet over.

PRESS DIGEST

Telegraph leader says critics of the community charge have a question to answer: would they sooner have stayed faithful to the old discredited rating system? The fundamental aim of the charge - to attain more public accountability in local govt - is admirable. And those who are so critical of it might wait until Labour has unveiled its system.

Michael Mates, writing in the Times, under the heading "Defusing the poll tax bomb" wants to see an eleventh-hour change of policy arguing that Govt should take over centrally some of the local authority expenditure such as education.

Guardian says it is already clear that the simplistic division between low spending councils (almost all Conservative) and high spending councils (almost all Labour) just does not work.

FT leader on Labour "roof tax" says the weakness of the proposal lies in the suggestion that tax liabilities could be linked to both property values and incomes. In practice this would almost certainly prove too complex.



MINISTERS (UK VISITS, SPEECHES ETC)

- DEN: Mr Wakeham visits the British Gas Terminal at Peterhead
- DES: Mr MacGregor opens the Commission on Citizenship national conference, London
- DH: Mr Clarke addresses "Prescribing in the 1990's" conference, London
- DEM: Mr Eggar signs Exchange Agreement with M Laignel, French Training Minister
- DH: Lady Hooper visits Yellowhammer Advertising Agency, London
- DH: Mrs Bottomley attends Health Service Journal Health Management Awards, London
- DTp: Mr Portillo unveils Arnos Grove restored passimeter
- FCO: Mr Sainsbury gives lunch for Chilean Ambassador, Senor Juan Carlos Delana
- HO: Mr Mellor addresses International Broadcasting Confederation conference, London
- SO: Mr Forsyth visit Blood Transfusion Service, Inverness
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MINISTERS (OVERSEAS VISITS)

- DEM: Lord Strathclyde visits BTA offices in Brussels
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TV AND RADIO

"Public Eye" BBC2 (8.00pm) The Nuclear Obsession - Time for an Energy Alternative. Looks at the legacy of our "nuclear obsession"

"Any Questions" BBC Radio 4 (8.05pm) With Janet Daley (writer and journalist), Eric Forth (Minister for Industry and Consumer Affairs), Maeve Sherlock (President of the NUS) and Dennis Skinner MP

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