

PRIME MINISTER

March 2, 1990

MAIN EVENTS

The Prime Minister sees Dame Lydia Dunn

The Queen and Duke of Edinburgh visit Glasgow to hand over title of "European City of Culture", and open the Mclellan Galleries

The Princess Royal visits Sheffield

STATISTICS

CSO: Company liquidity survey (4th qtr)

HMT: UK official reserves (Feb)

PARLIAMENT

Commons

Business:

PRIVATE MEMBERS BILLS

Planning Permission (Demolition of Houses) Bill: 2nd Reading:
Mr John Wilkinson

Radiation Exposed Crown Employees (Benefits) Bill: 2nd
Reading: Mr B Clay

Car Telephones (Safety) Bill: 2nd Reading: Mr Douglas French

Adjournment Debates: HMG's response to the changes in South Africa (Mr
D Nellist)

PRESS DIGESTMain News

Labour lead stretches to 18.5%, according to Gallup - worst since 1971 (Lab 49.5/Con 31/SLD 7/Green 5.5/SDP 3.5).

Kenneth Baker urges Tories to go out and sell their policies.

You stand firm over introduction of the community charge - the issue which dominates today - and tell Tories to keep their nerve.

Independent, Times, Express don't find any evidence of your trimming.

Today says you are planning a £5billion "rescue" next year.

Chris Patten, in interview with Express says Govt has been listening to worried Tories.

Good leaders in Express, Times and Telegraph.

Assn of Metropolitan Authorities says decisions later this month on charge capping will have an horrific effect on local authority budgets (Times).

Telegraph says there is growing recognition there will have to be a major reassessment of spending targets.

Sun features unnamed Tory who admits local authorities are artificially bumping up community charges because they believe Govt will be blamed.

Today has an article by an unnamed Tory Central Office worker saying the mess is the worst since the General Election with the community charge the final straw.

Govt also in trouble for putting up prescription charges by 25p to £3.05.

Mirror leads with this "sick joke" claiming you said in 1979 you had "no intention of raising prescription charges". Leader says you have now broken the promise 12 times.

Times says that latest rise in means prescription charges have risen more than 15-fold since the Conservatives took office.

Today claims there is to be an 11% rise in Civil List.

Consolation: Commons TV has made you a cult figure in the USA.

PRESS DIGEST

Conor Cruise O'Brien in the Times counsels the pro-sanctions lobby not to play into the hands of South Africa's right.

Owners of Harrods not to face prosecution for takeover of store. Report to be published next Wednesday. Guardian describes decision a spectacular U-turn.

Ministers fear a damaging Commons row next week as criminal prosecutions in Harrods affair ruled out (Independent).

Tory supporters of tax concessions on nurseries and workplace creches increasingly confident Chancellor will meet their demands in his Budget (Independent).

Peter Kellner, writing in the Independent, drafts a note that Chancellor should send to you about the Budget. He suggests Mr Major should say he sees no point in a soft Budget and what is needed is a long term strategy. He goes on to suggest there are two alternatives for winning the next election: to keep going and explain to the voters what the Govt is doing; or to try for a pre-election fix. He concludes the second represents the best bet, saying the choice is between a cynical victory and a noble defeat.

5,000 workers at British Aerospace vote on formula to end four month dispute, as engineering unions target more companies in the campaign for a shorter working week (Independent).

High Speed Channel tunnel rail link project will collapse without Govt funding of between £500million-£700million, BR and Eurorail consortium to tell Mr Parkinson (Independent).

D/Transport refuses to disclose how much British Gas has paid in subsidy to redirect extension of Jubilee Line south of the river (Times).

John Adam, reader in geography at University College, London argues in the Times that the roads policy has become incoherent.

DOE Ministers to announce awareness campaign, in an attempt to revive scheme for council tenants to transfer to private and housing associations, amid claims policy has become a political white elephant (Independent).

Times leader on estate agents says the OFT should recommend that they are brought within the scope of the Trades Description Act and thus become liable to prosecution if they make bogus claims.

PRESS DIGEST

WHO to pump \$1.5million a year into new programme aimed at preventing spread of AIDS from Western to Eastern Europe (Independent).

NHS publishers specimen hospital and health authority contracts (Independent).

Food scientist tells conference that food poisoning cases could be halved if all poultry was irradiated (Times).

Denmark's environment minister says Britain's "new green" Govt is more concerned with litter in the streets than with wastes it dumps in North Sea (Times).

Largest exam board says new GCSE courses will not be in schools on time (Independent).

Independent editorial looks at funding for higher education. While commending Mr Baker's visionary speech, in which he called for doubling of the number of students by the end of the century. and the Govt's keenness to get more money from business, it concludes there remain two sources for the level of funding needed; taxpayers selectively or taxpayers collectively. People should be given a chance to decide which they prefer.

Mail says young people are increasingly keen to reap the benefits of full-time education after 16.

Hopes of an end to 19-month lecturers' pay dispute by balloting members on 8.5% offer (Times).

Three died and 27 injured after train collided with a car at a level crossing in Northern Ireland.

8 injured when train crashes through buffers into bus station in Stourbridge.

Islamic Party of Britain urges suspension of Rushdie death sentence, saying he may have had mental breakdown while writing "Satanic Verses" (Independent).

Lockerbie inquiry team of US Congressmen told there were no rules against Pan Am staff taking radios to work and ground crew training was slapdash (Independent).

Lord Rees-Mogg, Broadcasting Standards Council chairman, warns of danger financial pressures would tempt broadcasters to turn to violence and soft pornography to boost TV ratings (Independent).

PRESS DIGEST

Sun says Michael Checkland, BBC, would be wiser to listen to rather than sneer at critics of the BBC. There is widespread concern over leftwing bias when its Charter requires it to be neutral.

BBC to launch World TV News - similar to world service on radio (FT).

BBC's Director-General says Govt undermining corporation's efforts to subsidise the licence fee by unnecessarily restricting its business activities (Independent).

Cambridge University's Institute of Astronomy discounts new galaxy next door to our own (Independent).

Ron Brown MP says his former lover used to work for MI6.

England's first Test win over the West Indies since 1974 warmly applauded.

3 British women feared dead in Cairo hotel fire which killed at least 29 people.

Consumers' Assn survey of hotels in Spain and Greece finds British holidaymakers are being sent to hotels with poor fire safety standards.

Americans reported to be hopeful of release for US hostages in Lebanon (Express).

You warn Tory rebels of your determination to press ahead with right of abode Bill for 225,000 Hong Kong citizens (Independent).

China spurns Hong Kong passport plan - announcing it will not recognise the passports when it regains the colony in 1997 (FT).

Express says Menem is most anxious to come to London to meet you.

Argentina may introduce new currency pegged at parity to US dollar (FT).

Express feature on fall of Sandanistas in Nicaragua identifies "The Red Faced pinkies" in Britain from Warnock to Glenys Kinnock.

PRESS DIGEST

Mrs Chamorro will be forced to negotiate all the way to the steps of Govt House, with top of her agenda future of the heavily indoctrinated army (Independent).

Planned airlift of food to Ethiopia's north unlikely to avert widespread starvation (Independent).

Independent editorial says the recent Indian state elections mark a further stage in the decline of Mr Gandhi's Congress (I) party. Given the difficulties the current ruling party, the paper suggests Prime Minister Singh should form a working relationship with Congress (I) to hasten the healthy splintering of the party, while limiting the divisive and potentially dangerous influence of its current partner, the BJP.

Times leader says President Bush's pressing invitation to PM Kaifu to meet him in California was not delivered out of courtesy to the newly-elected leader of the world's second largest economic power. It was an acknowledgement that US-Japanese relations have deteriorated to the point where political intervention is essential.

FT journalist Julian Ozanne released after 8 days detention in Sudan (FT).

COMMUNITY CHARGE

Star p2 - I won't budge, Maggie warns poll tax rebels. Top Tories get a flea in their ear. Blame put on Labour councils. Leader, on same pages as a feature about the community charge issue, says it will be the last straw for many Tory voters. It is not too late to change.

Sun - Front page story about Tory councillor confessing local authorities are deliberately bumping up community charges. Inside: "Keep your nerve, Mrs T tells 'punch drunk' Tories". It also starts its "war on wasters" with examples drawn from Hackney, North Norfolk and Sandwell, West Midlands.

Mirror p11 - "Scared Tories beg for U-turn over poll tax".

Today p2 - PM tax makes half Tory voters worse off. Maggie plots £5billion rescue, but not until next year.

PRESS DIGEST

Express p1 lead links row over community charge with Gallup. Inside Derrick Hill explains "the real facts behind the poll tax rumpus". Leader says some weaker Tory brethren seem ready to flee the kitchen and Ministers know they are in for hard pounding. Wisdom now dictates that Tories close ranks and keep their nerve.

Independent p1 - Tory loyalists say poll tax must change. Ian Gow: Govt will have to think again over operation of the charge. You resist backbench pressure for education to be removed from council budgets, as Kinnock says you are "running out of both friends and excuses". Tony Marlow describes high charges as "a political cyanide pill". Independent adds Tory rebellion in West Oxfordshire was sparked by unease over the poll tax and outrage at the way govt policy on council housing will hit poorest in the community.

Times p1 lead - Worried Tory MPs demand poll tax actions. Thatcher resolute in face of growing alarm. Cabinet coming under intense pressure from number of Conservative MPs to recast community charge. Ultra-loyalist Tony Marlow says there is the risk the Tories will be seen as "declaring war on the people". Leader under the heading "Toughing it out" says the period of political pain will be temporary. If the community charge is anything it is a means of increasing local accountability and making councils responsible for the spending they administer and the taxes they levy. Once the transition of the new system is complete the focus will swing back on to the authorities. At this stage in the proceedings the Govt must grit its teeth and look to the future.

Times survey of metropolitan and London boroughs shows that millions of people face community charge bills hundreds of pounds above what they used to pay in rates, in many cases up 33%.

FT - Ministers plan campaign to win backing for community charge. Treasury confirmed community charge will add around 0.75% to inflation taking it above previous 8.3% to around 8.5%.

Mail p1 lead - Maggie comes out fighting. You stand defiant. Your legendary resolve goes into overdrive. Leader says the community charge has become a tragic muddle and a pathetic failure to put its case across. Almost a text book example of how impeccable intentions can yield disastrous results. Yet the principle is sound. It looks as if the Govt has little choice but to cap the worst offenders and ride out the storm.

PRESS DIGEST

Centre page feature on views of West Oxfordshire, why Douglas Mason, the political researcher who conceived the community charge stands by it, and whether Kenneth Baker will be caught in the blast.

Telegraph p1 lead - Thatcher resists Tory calls for limit on poll tax. 18.5% Gallup lead is Labour's biggest for 20 years. Leader asks if the 18.5% of voters really believe Kinnock is the man to sort out local govt finance? Can they seriously entertain the notion that with a steadily accumulating baggage of public spending promise and one of the few unreconstructed socialist parties in the world at his back Kinnock is the man to bring down inflation.

Guardian p1 lead - Tory poll tax fears leave PM cols. Leader says you are in so much trouble because you ignored Heseltine's advice to go for a combination of poll tax, local income tax and local sales tax.

MINISTERS (UK VISITS, SPEECHES ETC)

- DEN: Mr Wakeham visits British Nuclear Fuels Ltd, Capenhurst
- DES: Mr MacGregor addresses the Governing Bodies Association AGM, London; later is guest of honour at the Norwich City College School of Crafts and Technology annual prize giving, Norwich
- FCO: Mr Hurd meets the Omani Ambassador Mr Abdulla bin Mohammad bin Ageel Al-Dhanaly; later hosts farewell lunch for the Indian High Commissioner, Sri M Ragostra, London
- HO: Mr Waddington visits HM Prison, Winchester
- DEM: Lord Strathclyde visits Docklands to meet the Head of Tourism and Docklands Development Corporation Chief Executive, Michael Honey
- DH: Mrs Bottomley visits North West area and visits Nurses Home, Southport
- DH: Mr Freeman addresses RADAR Care in the Community conference, Leeds
- DH: Lady Hooper opens South Tees Education Centre
- DOE: Mr Spicer addresses SHAC Conference
- DOE: Mr Moynihan attends Welsh Games Council and presentation of Welsh Amateur Rowing Association awards, Cardiff
- DSS: Lord Henley visits Yeovil Local Office
- FCO: Mrs Chalker addresses CBI Exporters conference, Centre Point, London
- MOD: The Earl of Arran visits Hydrographic Department, Taunton
- WO: Mr Roberts visits Cwmffrwddor Primary School, Pontypool; later visits Oakdale Secondary School and meets National Eisteddfod Committee, Cardiff
- WO: Mr Grist presents post graduate diplomas in housing, University of Wales, Cardiff

MINISTERS (OVERSEAS VISITS)

- FCO: Mr Hurd attends Foreign Affairs Council, Brussels (to 5 March)
- FCO: Mrs Chalker visits Africa (to 11 March)

MINISTERS (PRESS INTERVIEWS)

- HO: Mr Mellor takes part in BBC TV's Newsround Special on Drugs
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TV AND RADIO

"Public Eye" BBC2 (8.00pm)

Examines the extent of abuse of the elderly in the home

"Any Questions" BBC Radio 4 (8.05pm)

With Douglas Hurd; Roy Hattersley, Lady Antonia Fraser and Norman Stone (Prof of Modern History and Fellow of Worcester College, Oxford). Kate Adie is in the chair
