PRIME MINISTER

MAIN EVENTS

The Queen and Duke of Edinburgh attend the Royal Film Performance, Odeon Cinema, Leicester Square, London

House of Commons Select Committee on European Legislation, Brussels (to 20 March)

DES: Work Experience in Teaching Scheme for Undergraduates, press briefing

EC: CSCE Conference on Economic Cooperation in Europe, Bonn (to 11 April)

EC: ACP/EC Joint Assembly, Port Moresby (to 23 March)

Italian Defence Minister visits UK (to 20 March)

STATISTICS

CSO: Monthly overseas trade figures (Jan 1990)

Misuse of drugs statistics; addiction notified to Home Office, United HO:

Kingdom 1989

OPCS: Morbidity Statistics from general practice: Socio-economic groups

1981-82

PARLIAMENT

Commons

Ouestions: Wales; Church Commissioners; House of Commons Commission

Business: War Crimes Bill: 2nd Reading and Money Resolution

Divisions may take place at 10.00 pm

Motion on the Rate Support Grant (Scotland) Order

Adjournment Debates: Cleddau Bridge, Pembrokeshire (Mr N Bennett)

Lords: Starred Questions

Greenwich Hospital Bill (HL): Third Reading
Education (Student Loans) Bill: Committee (2nd Day)
Northern Ireland (Emergency and Prevention of Terrorism
Provisions)(Continuance) Order 1990: Motion for Approval

ROYAL ASSENT

Main News

East German Conservatives, allied to Kohl, sweep to victory in first elections. Just fail to win an overall majority.

Prime Minister-elect calls on opposition parties to join a grand coalition to unite Germanys.

Kohl appeals for exodus to West to stop.

Soviet Union now stands isolated within the Warsaw Pact in its opposition to a united Germany in NATO (Times).

Soviet jets fly over capital of independent-minded Lithuania and it is claimed many Soviet troops have been moved to the area.

Ligachev reacts adversely to Soviet reforms.

But <u>Independent</u> says Gorbachev denies he gave Lithuania an ultimatum. Chance of direct intervention by Soviets still seems minimal.

An <u>Independent</u> editorial says Gorbachev should try to reach an orderly understanding with Lithuania. It is in the West's interest that he should succeed. Precipitate recognition of Lithuania's independence or triumphalist noises from Western leaders would only make the problem worse. But the FCO should issue a clear message of support from Lithuania.

 $\overline{ extbf{FT}}$ says Moscow is split on Lithuania problem. Centrol Cttee of Soviet communist party cannot agree on hwo to deal with independent ambitions. Gorbachev insists he has not issued an ultimatum.

Germanys: Comment

<u>Sun</u> links the birth of a new, greater Germany with the War Crimes Bill, to be debated today. If Britain is harbouring a single monster he must be hounded for all his days - even more vital now that a greater Germany is on its way.

<u>Express</u> says East Germans have given a resounding raspberry to socialism in all its forms. But Kohl must not let victory go to his head as dreams of becoming first Chancellor of a united Germany are within his grasp.

<u>Independent</u> a commentary, says unification will not be achieved without stresses in East Germany. The majority have no experience of democracy, the virtues of tolerance and compromise have not been practised, and stability has been the product of repression. There is a strong case for a gentler political pace now.

<u>Times</u> <u>leader</u> says Kohl must take the lion's share of the credit and predicts that the victory will see reunification resolved post-haste. But it warns that, like Prussia's Friedrick Wilhelm I,

Kohl should recall that he is the first servant of the state, not its master.

Anne McElvoy in the <u>Times</u> looks at East Germany's vote for fast reunification saying that the Social Democrats held the elections in their hands only to squander it with inactivity and befuddled vision. After 40 years of restriction, East Germans were in no mood to keep to the speed limit.

<u>Mail</u> leader says Kohl's thumping triumph could turn the rush for reunification into a stampede. The result must be the best hope for staunching the haemorrhage of young talent from East Germany. Western reaction and British feeling about the style of Kohl's campaign and scale of his victory are bound to be a touch ambivalent. A narrow win might have been more stabilising for Germany.

You are to meet Josef Anstall, leader Hungarian Democratic Forum today, less than a week before Hungarian elections (FT).

<u>FT</u> interview with Vaclav Havel - believes NATO and Warsaw Pact will dissolve so that a peaceful multi-polar Europe can evolve with each state independently guaranteeing its security.

FT says French Socialist Party is in disarray over struggle for leadership of the Party. Mitterrand favours Fabius to succeed him over Jospin and Mauroy, the past and curretn secretaries of the Party.

Politically this is seen as potentially the worst week in your political life in view of Budget and Mid-Staffs.

Express says you were given 'a massive boost' last night as Top Tories rallied round. Senior MPs united to squash speculation about your future.

John Major tells TV producers he will put some juicy morsels at the beginning to stimulate interest in the Budget speech (Independent).

Robert Dunn MP, in $\underline{\text{Mail}}$, wants tax relief on mortgages raised to £40,000 - Chancellor's moral victory.

CBI calls on Chancellor to signal entry into ERM in Budget which is expected to be a "grin and bear it" affair.

George Younger says speculation about your future is "stupid and destabilising".

Hattersley rules out proportional representation as an issue until after next election.

<u>Mirror</u> goes for Michael Mates MP for accepting payments from a defence contractor while remaining chairman of Defence Select Cttee. It says he was cleared last week of breaking rules over his connection with another defence firm. Labour Party said to be demanding new rules.

An <u>Independent</u> editorial calls for the inquiry into NUM affairs to be detailed and wide-ranging. At the moment, its terms of reference are too narrowly drawn for the whole truth to emerge.

Families could be paid up to £100 a week to look after elderly relatives instead of their being looked after in homes at up to £300 a week.

<u>Express</u> wants to look at idea of exempting elderly parents who live at home from community charge.

Lloyds Bank have given pay rises of up to £102,448 a year to top executives notwithstanding £715million loss last year.

Thomson Holidays abandons idea of moving HQ from London to Cheshire because only half 800 staff will move.

BP to reduce HQ staff in London by 1,000 or 33%.

Electricians union faces expulsion from the powerful Confederation of Shipbuilding and Engineering Unions over the poaching of members from rivals in a move which would complete its isolation from the TUC (<u>Times</u>).

More than 100 faults found in new BREL-made commuter express trains.

Nat West has paid £505,000 to 3 directors who resigned last summer over the Blue Arrow affair (FT).

<u>Star</u> claims one million cannot or will not settle their community charge bills in Scotland.

Home owners in good suburbs make the biggest saving on the community charge, according to Scottish study.

<u>Today</u> survey finds families in England will be £300 a year worse off than when paying rates.

Fraud detection firm says community charges are being swollen by council fraud and inefficiency.

Local Govt Information Unit claims high community charges are caused by administration costs, not overspending (<u>Independent</u>).

Deans of two Cambridge Colleges refuse to pay community charge as Christians unite to attack "unjust" new system (Independent).

Community charge will cost Church of England £8.5million to compensate clergy and wives living in rate free homes (Mail).

Criteria for charge capping still being worked out. Local Govt Information Unit survey of 30 local authorities shows they have kept expenditure plans within inflation levels (FT).

<u>Times</u> says high spending Tory local authorities expected to escape charge-capping in a fresh move by environment ministers to pacify the party's disgruntled councillors. The original intention to cap more than 100 councils have been abandoned. Now decisions will not be based on community charge levels so much as whether the counsils can justify spending plans.

Telegraph says 20 councils will be capped.

Breweries agree to pay community charge for pub managers (Times).

Greenpeace complains to EC that Britain has cheated over its plans to cut acid rain pollution (Independent).

Labour says Govt is to resist calls for urgent EC action to tackle carbon dioxide emissions. Bryan Gould claims that your Friday speech shows that environment is now bottom of the agenda for the Govt.

Pressure group urges John MacGregor to make sure children are tested on historical facts under the National Curriculum (Independent).

Head teachers warn that local management of schools will give too much power to governors (Independent).

Ministers urging school opt-out in Bath despite court veto (Times).

Conservative Whips have advised ministers that there is porbably a majority in the Commons for a cut in the abortion limit from 28 to 24 or even 22 weeks (Times).

Doctors call for more police protection against attacks made on them during late-night emergency calls to inner city housing estates (Times).

<u>Today</u> leads with nanny agency giving personal details of a Minister including private addresses and phone numbers to job applicants.

Raider gets into private rooms at Windsor Castle - Queen in another part.

One student killed, five people injured as 25 year old man shoots in Glasgow street after knocking down a girl; then shoots and seriously wounds himself.

Petition with 25,000 signatures asks Home Secy to re-open Broadwater Farm murder case (Independent).

Case of teacher in Winchester who was held up in classroom and kicked and punched by two 14 year old boys.

An armed robbery conviction likely to be quashed in Court of Appeal after allegations over conduct of Manchester police inquiry (Independent).

Inquiry at Crown Prosecution Service after lawyer's absence allows 16 prisoners to go free (Independent).

Today calls on you to get tougher with football hooligans in advance of World Cup.

Nat. Assn of local councils wants a curb on satellite dish aerials in historic towns and villages. It declares itself with Sky TV and freedom of choice.

Bazoft execution brought forward two days to pre-empt EC action against Iraq, diplomatic sources claim (Independent).

Saudis back Iraq's execution of Bazoft (FT).

Iran holds out the progressive release of hostages over this year.

Foreign Secy's visit to South Africa heralds end to Pretoria's isolation (Times).

Pauline Collins, Daniel Day Lewis, John Thaw and Diana Rigg among BAFTA awards.

BUDGET

Star - Hard man Major to hit us all.

<u>Sun</u> - It's a grin and bear it Budget; grit your teeth, Tories told.

Today - Save cash to beat back door taxman - Chancellor will keep up the battle against inflation with new incentives for savers.

Leader says nobody expects much cheer. The Govt should impose higher taxes on tobacco and alcohol to save lives and take these two killers out of the IRP. In a feature article Teresa Gorman campaigns for tax relief on child minding facilities.

Express leader says you were in confident mood when you promised Sunday Express to fight "every inch of the way" to the next election. But you would do well to warn Tories to tread caefully before making it difficult for anyone to challenge your leadership.

<u>Mail</u> - Message from Major is 'grin and bear it'. <u>Leader</u> Andrew Alexander says the Chancellor need not act tough because the budget is in surplus. The squeeze is working and it will soon become painfully clear.

Times - IMF favours tough stance by the Chancellor in his Budget.

<u>Independent</u> - Ministers insist they are not downhearted as Budget approaches. Interest rates on the way down, one says. But George Younger warns critics that leadership speculation could undermine John Major's debut.

<u>FT</u> - Budget to focus on curbing inflation rate. The first to be televisied, it means presentation of the Govt plans will assume a more important role. City consensus is the Chancellor will decide against fully indexing the tax free income allowances against inflation.

FT leader says tomorrow's Budget is expected to be dull both overall and in detail. But a neutral Budget need not be dull. The motto always remains above all do no harm. Budget judgements are doubtful, the Budget itself overrated but one thing the Chancellor must not do is succumb to the not-so-discreet clamour of the bourgeoisie - for raising mortgage interest relief and tax relief for child care which would be disgraceful.

Guardian leader says Chancellor's so boxed in he will probably extract no more than £1.2billion from the economy. We are now heading for 10-11% inflation. It advocates a wage freeze, and a counter-cyclical boost to investment.

POLITICS

<u>Star</u> - Crisis hit Maggie set to rope in Tarzan! - a suggestion that you could bring him back into the Cabinet.

<u>Sun</u> writer says Conservative Party has captured the Cpl Jones' Tendency, flustered and tripping over each other shouting "Don't panic".

<u>Mirror</u> says you have run out of scapegoats and surrounded yourself with courtiers who are incapable of saying anything but "Yes Prime Minister". The Tories can't win the next election with you. On Mid-Staffs it says the 'hated poll tax' is a passport to Parliament for the Labour candidate.

Times - You signal at the weekend that you will fight every inch of the way to stay in power at next election. Meanwhile Heseltine repeats a formula that he will only contest the leadership after you have stood down. Leader says you are facing one of your toughest weeks since the Falklands war. It adds that you are tormented by opinion poll evidence that, were Heseltine now leader of the Conservative Party, Kinnock's challenge would look far less plausible. He is the preference of a large number of nervous Tory MPs. His image has been carefully groomed to entice former Alliance party members back to the fold. He has immaculately paced out a distance between himself and the community charge.

William Rees-Mogg, in <u>Independent</u>, says the real threat to the Govt is infltion not the community charge. The signs are, however, that inflation and interest rates could be easing by next year, and there could be a more healthy economy. But there can be no pre-election boom.

<u>Mail</u> leader on plans to tighten the rules governing challenges to Tory party leadership says a requirement that a future contender is nominated by at least 10% of the Parliamentary party is commonsense. But before pushing for the change Thatcher loyalists should make sure they do not get bogged down in a procedural wrangle which could so easily fuel speculation about a leadership challenge.

FT Observer column says your survivability is finally being questioned in one of the places where your reputation is highest - the US, where senior analysists are just beginning to think of what a Heseltine or Kinnock administration would mean. But you so personify Britain for the US public that your resignation or defeat would have a profound effect in the US - raising previously unasked questions about the nature of Britain's revival during the 1980s.

Sir Anthony Meyer will stand again when constituency party in Clwyd North West start to select their next candidate in 2 weeks time (FT).

MINISTERS (UK VISITS, SPEECHES ETC)

DEM: Mr Howard attends "AIDS and the Workplace" booklet launch,
London

DES: Mr MacGregor and Mr Jackson receive presentation from National Environmental Research Council, London

DH: Mr Clarke opens the Chartered Society of Physiotherapy exhibition, House of Commons

DTI: Mr Ridley hosts industrialists dinner, London

DTp: Mr Parkinson speaks at BAA South East Airports conference

HO: Mr Waddington opens International Fire and Security exhibition and conference, Olympia

DEM: Lord Strathclyde visits Remploy factory, Barking

DH: Mrs Bottomley launches video on child protection, Health Visitors Association, London

DH: Mr Freeman visits Scarborough and Malton Hospitals

DH: Lady Hooper addresses Regional Drug Misuse campaign, Mersey

DTI: Lord Trefgarne addresses Opportunity Japan, Campaign Aerospace seminar

DTp: Mr Atkins visits Cyclex stand, Olympia, London

MINISTERS (PRESS INTERVIEWS)

DEM: Mr Howard interviewed by Ann Steele of Saga Magazine

HO: Mr Mellor briefs media on World Ministerial Drugs Summit, QEII Conference Centre, London; Mrs Chalker (ODA) attends; Mr Mellor later interviewed on the Brian Hayes Programme, LBC re 'Broadcasting'

TV AND RADIO

"Panorama" BBC 1 (9.30am) Report on whether voters will pin the Community Charge blame on the Government or on councils

"Horizon" BBC 2 (8.10pm) The greenhouse effect

"World in Action" ITV (8.30pm) First of a two part look at "Cars - do we need them?"

"Advice Shop" BBC 1 (11.30pm) Examines who will be exempt from the Community Charge