PRIME MINISTER

MAIN EVENTS

US/UK Drugs Treaty signed

?ILEA statement

PUBLICATIONS

HSE:

Paper on risk tolerability of nuclear power stations (Press Conference 3.00pm, HSE, Baynards House, 1 Chepstow Place, London W2)

PARLIAMENT

Commons

Questions: Agriculture, Fisheries and Food; Treasury; Prime Minister

Business: Debate on the Wnite Paper on Human Fertilisation and Embryology: A Framework for Legislation on a Motion for the Adjournment

Adjournment Debate: Dissemination of information to Hon. Members by the Northern Ireland Housing Executive (Mr k Beggs)

Select Committees: AGRICULTURE

Subject: Storm Damage of 16 October 1987

Witnesses: Association of County Councils; Association of District Councils; Timber Crowers' United Kingdom; Countryside Commission; Department

of the Environment

Lords: Starred Questions

Legal Aid Bill (HL): Report (1st Day)

Employment Protection (Variations of Limits)) Motions for Order 1987) Approval

Unfair Dismissal (Increase of Limits of Basic) and Special Awards) Order 1987

MINISTERS - See Annex

PRESS DIGEST

MAIN NEWS

CEGB to be broken up into three parts under privatisation (FT).

Cabinet set to cut Civil Service to a core of 20,000 policy makers and hive off the rest into boards (Independent).

Government considering switching funding of NHS from general taxation to health stamp (Independent).

British Coal tears up closed shop agreement with NACODS; offers to train UDM members to take over. Two pits to be closed in South Wales. <u>Sun</u> says you will announce first steps towards selling off pits shortly. <u>Express</u> leader: As Confucius might have said: He who aims at others can shoot himself in the foot.

Hospital strike backed by only 2% of nurses (<u>Telegraph</u>); John Moore says day of action was a flop; nurse among four arrested. Nurses accuse militants of stirring up trouble.

John Major says there is a presumption that a proportion of pay awards is met from within HA budgets. <u>Today</u> says Government is ready to pay nurses up to £30 a week more to end local staff shortages.

BMA wants Government to inject another £1.5bn into NHS.

Government will announce abolition of ILEA today.

Part of M20 near Folkestone closed to park lorries held up by ferry strike; peace talks begin today while P&O applies for sequestration order.

Ford workers expected to have rejected pay deal commended by unions.

<u>Today</u> says Government is struggling to head off a showdown with the police over the basis on which their pay is calculated and scrapping of housing allowance worth £5,000.

B/Airways signs £1.2bn deal to buy 11 Boeing 767 jets.

Robert Maxwell lines up offer for Crown Suppliers.

Big IRA arms haul found hidden in refrigerated lorry stopped by police at Lisburn.

Bradford University national disaster conference to ask you to set up national disaster fund, hotline and new Department of State.

<u>Mail</u> says Attorney General is abandoning legal action against Moonies party because he has no support from Britain's religious establishment.

Judge suggests <u>Mail</u> should "lay off for 10 days" in Opren case to allow those who have not accepted Eli Lilly offer to make up their own minds in light of legal advice. <u>Mail</u> says it is prepared to do so, but it won't lose sight of moral issue.

Better off, whose real earnings fell between 1973 and 1979, now widening gap with poorer paid.

<u>Times</u> leads with Chancellor forced to rethink Budget plans because of worries over pay settlement levels and deteriorating balance of payments. Giveaway likely to be limited to £3bn instead of £10bn with tax being cut by only one pence and radical reforms to married couples' taxation phased over 3 years.

Benn launches another attack on Kinnock.

Government prepared to force councils to sell £1bn worth of land and buildings which Audit commission says are being wasted ($\underline{\text{Mail}}$).

Institute of Directors warn incompetent teachers that they will be sacked under opting out.

Welcome for Government's proposals to cut motor cycle accidents from industry and riders' organisations.

Tories on Lewisham Council furious because Left stop £105 grant to NSPCC while "nodding through" £2,200 for "under-age gays".

Linda Bellos being urged to resign after failing to pay motoring fines; cheques bounced twice.

Lord Monkswell believed to be peer who gave passes to lesbian protestors. <u>Today</u> says the lesbians have given MPs an excuse to keep cameras out of Commons.

<u>Star</u> continues its campaign for the return of capital punishment, listing MPs who voted against it last time.

18 soccer fans, arrested in dawn raids; "terrifying array of weapons seized".

Gerry Adams, Sinn Fein, says Stalker asked him to help investigate RUC.

International alarm triggered by test for a new Chernobyl early warning system; shares lost £2bn in London.

Gephardt emerging as man to beat for Democratic nomination.

 $\underline{\text{Mail}}$ reports Waldheim as saying he can't remember whether he killed anyone as a German soldier on Russian front.

FT: Yugoslav historian says he will make public on Sunday document implicating Waldheim in wartime deportation of Yugoslav partisans.

NHS

<u>Star</u>: Fury on angel picket lines; Battle of Trafalgar ends in four arrests.

<u>Sun</u>: Red Yobbos hijack nurses march. Student and two engineers, all with nothing to do with NHS, arrested as well as nurse; leader says the 1000 miners who stopped work yesterday in support of nurses are nuts. All they achieved was a loss of £100,000.

<u>Mirror</u> claims on front page that contrary to your assertion on July 21 that the NHS is not in crisis, its condition is critical after "pitched battle" in Whitehall.

<u>Today</u>: Fists fly as police halt nurses' march. It left many nurses wondering if it had all been worth while; leader headed "Be an angel now Maggie" hopes nurses have worked the worst indignation out of their system. When they do they will see the Government is edging in the right direction. But the Government has been "stupidly obstinate" in its refusal to admit it is ready to do anything for them.

Express: Nurses: business as usual. Vast majority stood by their instincts and with their patients; leader "A good case - but not the way to win it" says it was difficult to miss the political overtones of the demos. The nurses should bear this in mind next time they are invited to be someone else's political cats paws.

<u>Mail</u>: Scar of Left in nurses' protest - swept along on a tide of revolutionary force.

<u>Times</u>: Hundreds of operations cancelled as thousands of nurses and other health workers take industrial action; nurses claim no patients were harmed by action; dispute between unions as to how many London nurses took part - health unions say 2,500, RCN says only 600.

<u>Times</u>: John Moore says Government wants to break up national pay bargaining for nurses and impose a system of regional variations and discretionary payments.

<u>Independent</u>: TUC unions hail nurses' strike as magnificent success with about 6000 NHS staff involved in London protests, though relatively few struck for the whole day. RCN say that less than 200 of their members failed to report for duty.

<u>Independent</u>: Government considering switching funding of NHS from general taxation to national insurance "health stamp". The idea is up for discussion by the ad hoc committee chaired by you. John Moore is believed to be in favour, though Treasury ministers are more cautious.

Telegraph leads with "Hospital strike backed by only 2% of nurses. 200 of 9000 operations cancelled. Feature says an earnest bunch of Labour MPs made a lunchtime sortie across Westminster Bridge to show solidarity with striking nurses only to discover "a hotbed of normality" at St Thomas's" - no pickets; no strikers.

Trevor Clay, in <u>Telegraph</u>, writes on how to nurse NHS back to health. Nurses' education is only one of the several reforms required - and he is remarkably vague about the rest.

FT: Nursing strike hits hardest in South-East. John Moore deplores it. John Major, at TCSC, refuses to underwrite pay award; leader says spectacle of nurses protesting outside Downing Street is graphic illustration of why Thatcher Government has been wrong-footed on health.

POLITICS

<u>Express</u> leader says that under perestroika the recycling of Thatcher/Lawson speeches has become a growth industry. If Soviet Union embraces privatisation even Kinnock's Labour Party might come to accept it.

<u>Times</u>: Labour's far Left fire first shots in its campaign against Kinnock's leadership with savage attacks from Benn and Heffer.

<u>Times</u>: Moderates keep control of T&GWU, boosting Kinnock's chances of overhauling Labour's party policy before next election.

<u>Times</u>: Merged Libs/SDP expect wrangles with Dr Owen over allocation of public funds for opposition parties.

<u>Independent</u> front page commentary says latest labour unrest is the opening shots in the third term of the industrial revolution you

have brought about, based on removing rigid national pay structures and relating earnings more closely to performance and market demand. Leader says there is little doubt that this is a more efficient way to run an economy, but the real question is whether the changes are socially acceptable. It says there should be a combined tax and benefits system where nobody's income falls as low as many incomes do now.

COMMONS TV

Robin Day, in <u>Times</u>, argues that MPs cannot keep television at bay for ever. You have made your position brutally clear, but, with respect, how can anyone be sure unless the Commons allows an experiment?

CIVIL SERVICE

<u>Times</u> leader on "Next Steps" calls for report to be published soon so that there is public discussion, adding that you appear to have rescued it from the deepest inter-departmental limbo. It says that this iconoclastic document on the civil Service since Fulton is to be considered by Cabinet - probably today.

COMMUNITY CHARGE

<u>Independent</u>: Backbench Tory MPs angry at strong whip discipline against opposition amendments on Rates Bill, though most concede that manifesto promise should be implemented. They will voice their frustration at a private meeting with ministers on Monday.

INDUSTRY

Times: Ferry peace talks begin this morning.

Times: Air Europe opens fares battle with Paris cuts.

Times: BP plans £141m takeover bid for US firm Lear Petroleum.

<u>Independent</u>: CEGB postpones test at Trawsfynydd nuclear power station amid fears of anti-nuclear campaigners' activity and strength of local opposition.

FT P1 lead: CEGB to be broken into three parts under privatisation plan. CEGB will retain 70% of power plants, including all nuclear stations; remaining plant will be hived off as a separate private company; and CEGB will also lose ownership of national grid which will be split off into a separate non-profit making company jointly owned by 12 area distribution companies.

<u>FT</u>: MPs oppose plan to build two deep water docks on River Humber that could be used for importing foreign coal for power stations in the north east and Midlands.

<u>Guardian</u> on electricity privatisation, says the canvassed break up won't please proselytizing privateers, but with so much of the monopoly structure left intact and nuclear losses buried in the middle it will maximise the stock market price. We have been here before.

CITY

<u>Times</u>: London gold price faces critical test; whether to stay above \$440 after closing in New York at \$439.79.

<u>Times</u>: Professor Mayer of City University Business School starts row after saying CBI's task force report on the City's role failed to identify the crisis.

LAW AND ORDER

<u>Times</u>: John Stalker claims his removal from "shoot-to-kill" inquiry was political decision.

<u>Times</u>: Lord Chancellor puts forward concessions on legal aid scheme.

<u>Times</u>: You reject all-party talks over Official Secrets Act in your letter to Richard Shepherd.

IRELAND

<u>Independent</u>: Richard Shepherd attacks Attorney-General's decision to "suspend the rule of law" over the Stalker-Sampson report, saying it could jeopardise the union with Ulster. Haughey says he may seek meeting with you in Brussels if Cabinet does not give satisfactory response over decision not to prosecute RUC officers.

<u>Telegraph</u> leader says DPP's decision on Stalker affair was handled insensitively. To recover the situation Tom King should urge Hermon to institute disciplinary action against officers at heart of conspiracy to pervert justice.

EC

<u>Times</u>: Government edging towards compromise on EC budget and Bonn ready to accept lion's share of increased costs; West German Agriculture Minister sees good chances for success at next week's meeting while still holding you responsible for outcome.

<u>Times</u>: Kinnock announces Labour's conversion to Europe and outlines alternative for EC development in run-up to single market.

<u>Independent</u>: Kinnock, on visit to Brussels, says no prospect of Britain leaving EC. He endorses your insistence on firm agricultural policy but criticises you for "failing to see beyond the agricultural battleground".

MIDDLE EAST

<u>Times</u>: British Muslims and Jews exchange angry letter over Israeli's treatment of Palestinians in Gaza and West Bank.

<u>Times</u>: Britain and its EEC partners to make joint statement on Middle East which will show that Europe and the US are far apart in their approach to Arab-Israeli conflict.

<u>Independent</u>: Flurry of diplomatic activity as Israeli officials despatched to Paris and Washington in advance of new US Middle East peace initiative, but PLO said to be strongly opposed to limited autonomy on West Bank and Gaza. Israeli Cabinet also divided.

ANGLO/GERMAN RELATIONSHIP

FT diary says one of the reasons for apparent frost is that you cannot stand Genscher because of coalition-forming tendencies.

BERNARD INGHAM

MINISTERS (UK VISITS, SPEECHES ETC)

MAFF: Mr MacGregor attends New Zealand reception, New England House

DEM: Mr Lee visits Manchester

DTI: Mr Clark addresses Sourcing in Britain dinner, Edinburgh, with

Mr Lang

FCO: Mr Mellor addresses English Speaking Union, London; later gives

lecture at Christ College, Cambridge

OAL: Mr Luce visits Northumberland and Durham (to 5 February) and

addresses Durham Union Society dinner

MINSITERS (OVERSEAS VISITS)

DTI: Lord Young addresses British Champer of Commerce dinner, Brussels

TV AND RADIO

"Today": BBC Radio 4 (6.30)

"Who Owns Britain": BBC Radio 4 (9.30) Series, examining who owns what, looks at the 'county gents'

"Kilroy": BBC 1 (9.20)

"Business Daily": Channel 4 (12.00)

"The Parliament Programme": Channel 4 (14.00)

"You and Yours": BBC Radio 4 (12.00)

"The Education Programme": BBC 2 (19.40) reviews effect of 1986 Education Act on expanded role of governors, problems of parent apathy and lack of governor training, with Mrs Rumbola

"The New Enlightenment": Channel 4 (20.00) - series tonight looks at dependance of individual liberty on constitutional restraint on political power

"Out of Court": BBC 2 (20.00) examines euthanasia

"This Week": ITV (20.30)

"Party Political Broadcast by Conservative Party": BBC 1 (21.00), ITV (22.00) and BBC 2 (22.45)

"Question Time": BBC l (22.00) with Anne Clwyd MP, Norman Fowler MP, Simon Hughes MP and Archbishop of Liverpool

"Newsnight": BBC 2 (22.35)

"The World Tonight": BBC Radio 4 (22.30) followed by "The Financial World Tonight" then "Today in Parliament"