

July 20, 1990

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PRIME MINISTER

MAIN EVENTS

- Prime Minister meets Chiefs of Staff, MOD
- Scottish Natural Heritage Agency consultation paper
- Bulletin on numbers of students in higher education
- Commons: Debates: Private Members' Motions - promoting good health
- Chancellor in Yorkshire
- Home Secy visits Lincolnshire Police; speaks at Doncaster
- John Wakeham visits Milton Keynes Energy Park
- David Hunt tours South Wales Valleys
- Peter Morrison gives Mersey barrage press conference
- BBC Radio 4 "Any Questions?" - John MacGregor, Tessa Blackstone, Paul Foot and Baroness Seear

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PRESS DIGESTMain News

You reveal your preparations for next election at 1922 Cttee; you say you are entitled to ask for a fourth term on your record. Inflation the key.

Kenneth Baker urges you to reject advice of senior Ministers who want to use Bournemouth conference as launch-pad for next election. He fears that party could be locked into summer 1991 poll date Independent.

Sir Geoffrey Howe appointed to manifesto "A-team" easing fears that he is being isolated Independent.

Economist poll says almost half company leaders think you are wrong person to lead Tories into next election. Heseltine most popular choice to succeed you.

27million now in work in UK - a record - despite further rise in unemployment.

Ferranti to announce 2,000 job losses after fraud in firm.

Little interest in public expenditure Cabinet.

£3billion injection of funds to ease impact of community charge gets a poor press though reported straight. Dismissed by Opposition as a bribe.

But it is thought likely to calm the waters for the summer - though the proof of the pudding will be in the eating next Spring when charges are set.

Hillingdon Council cuts community charge by £77 to £289.91 Times.

Sun says with a budget of £25billion Kenneth Clarke should not be postponing aid for aged and infirm.

Assn of Directors of Social Services says some £20million has been spent on preparing for the community care reforms which have now been postponed Times.

Labour mounting another Militant purge in Liverpool as Sun reveals a more extreme group, Socialist Organiser, staunch supporters of IRA, homosexuals and blacks.

PRESS DIGEST

Mail claims a report by a Lambeth councillor urges council tenants to consider IRA knee capping and other punishments to protect estates from criminals and hooligans. Sinn Fein to be invited by Labour Group for discussions which will take in crime and violence.

Green Party plans to set up traditional leadership team stalled by opposition from Socialist factions Independent.

NUM sues Scargill in London, Dublin, Vienna and Paris to try to freeze and recover Communist money worth £1.4million they believe is theirs.

Doubts whether he can long continue as President. Express says it looks like the beginning of the end.

Christopher Chope, according to Guardian, expects the chop in next week's reshuffle because of blunders.

Farm trade row threatens to derail GATT talks. The next meeting of the Trade Negotiations Committee will be an exercise in crisis management FT.

You announce in Commons your determination to speed up planning to assist road building. Thank goodness: says Express

London Docklands Development Corp faces financial crisis as land sales drop Independent.

Today says Govt is to sell a third of its £9billion remaining stake in British Telecom.

Ten out of 12 electricity area boards failed to meet profit targets last year FT.

Mail says that after 18 years in EC the pre-tax price of cars sold in Britain is still 61% higher than on continent. EC rules are being wantonly flouted.

Japanese increase their share of Euromarket by a third (or 3.4%) to take 11% of market.

Car output falls 8.9% in 6 months FT.

Today denounces critics of Fujitsu bid for ICL as protectionist.

PRESS DIGEST

Times leader supports Fujitsu's bid to take over ICL saying what is good for ICL is good for Britain. Nor need it be bad for Europe. Brussels' commercial chauvinism and Euro-protectionism are the unacceptable face of the EC. Guardian against takeover.

FT says ICL deal with Fujitsu shocks European computer industry.

George Gale, in Mail, on the Ridley affair and developments in EC, says the danger is that your correct instincts will be suppressed and we shall continue down the road to well heeled serfdom. There is an alternative: single market and free market regulations and institutions which support it, but to resist any further integration into a political Europe which is bound to be run by the Germans.

Conor Cruise O'Brien in the Times explains why the habits of the Germans and others must be watched. He concludes that you are right to hold on to as much political sovereignty as possible within an economically united Europe. And the French will come round to your point of view, once they find that the German "horse" is no longer as responsive to its French "rider" as it was in the good old days of Bonn.

Sir Leon Brittan, according to Mail, says rest of Europe is bored by Britain's attitude to progress. We are being marginalised by those who keep returning to the issue of sovereignty and to misrepresent the community.

EC orders Britain, Belgium, Italy and the Netherlands to scrap large industrial aid because it distorts competition Times.

Joe Rogaly writes you are not Nicholas Ridley in a purple frock. Above all you are a survivor and thus the picture of a broken woman is false. You are now surrounded by smooth operators. Whatever happens now, even if you are at the start of your twilight session, at least it can be said you are being led gently down the final path by quiet men in grey suits.

Tory MEPs intensifying their efforts to encourage the Govt to accept a single European currency and an independent central bank Times.

NUJ vote out their general secy, Harry Conroy, and vote in a man pledged to cut spending.

Police officers awarded 9.75% pay rise FT.

PRESS DIGEST

Peter Walker becomes non-executive director of Dalgety - and Mirror tries to start another jobs-for-the-boys row.

Which? claims 9 out of 10 power tools from hire shops are defective in safety tests.

Today, backing tax relief for child care, says it is ludicrous a husband can get tax relief on the club where he entertains clients while his wife can get no relief at all on the cost of nurseries for children.

Ferdy Mount, in Telegraph, says the protection of the interests of the child is a prime public duty and for once the Govt is entitled to ask for the unambiguous support of its opponents.

Two main teacher unions will today demand that compulsory testing of pupils aged seven is either withdrawn or postponed for a year because of the extra work required by teachers Times.

Commons votes to continue with televising the House; demand by some MPs for televising of the whole proceedings defeated.

IBA to tighten rules against biased programmes, singling out drama-documentaries for special treatment Independent.

Confusion surrounds the future of the ailing Sunday Correspondent after reports that The Independent is poised to take it over Times.

Chief Constables propose a powerful overlord to control a new national criminal intelligence service and five super regional crime squads Times.

Case of Lieut. Col. who is now ponding beat in King's Lynn after taking early retirement from Army.

Two British girls, 17 and 18, arrested in Thailand accused of smuggling out 67lbs of heroin worth £4million.

UN wants a drugs supremo to put an end to bickering between rival agencies Times.

Firebomb found in Princess Diana's mail at Palace.

A West German and a Briton were arrested in Cologne for trying to sell stolen Bank of England Treasury bills worth £13million. Bonds worth £290million were stolen in May when a broker's messenger was attacked in London FT.

PRESS DIGEST

GEMU has made East Germans feel poorer rather than richer FT.

Soviet Union and the two Germanies locked in a tangle over military equipment supplied by Moscow to East Germany. Germany wants to send it back but Moscow does not want it because of the cost of its destruction Times.

Delors, on visit to Soviet Union, warns of the dangers of economic disintegration, pointing to plans for several republics to introduce their own currencies FT.

Moscow oil cuts leave Bulgaria struggling FT.

Poland welcomes 2+4 talks results as the "crowning point" in its efforts to gain recognition for its western frontier FT.

Hopes are fading that Peter Brooke will be able to announce to Parliament next week that he has been able to reach agreement for talks on devolution Times.

Dutch police questioning a girl student whose flat in The Hague is believed to have been used as a safe house for IRA.

China rejects America's new line on Cambodia Times.

COMMUNITY CHARGE/PUBLIC SPENDING

Star p2 - Poll tax sweetener.

Sun p2 - £3.2billion poll tax boost.

Mirror p4 - Fury over £3billion poll tax bribe. Personal victory for Chris Patten over you. Leader says the Govt yesterday finally admitted tax is as big a disaster as critics said it would be. £3billion which could have been spent elsewhere.

Today p4 - £3,000 million poll tax aid flops.

Express p2 - Maggie bets £3billion on poll tax voters. Express says welcome though the £3.2billion is, it is a further reminder of how the Govt has botched the tax. There is every reason to fear local councils will simply pocket the extra cash. No doubt in the longer term it will achieve what Ministers promised. In which case yesterday's package will have been a small price to pay.

PRESS DIGEST

Mail p2 - Prime Minister tax handout. Leader says the danger is that some councils will take this aid as an excuse to spend more. In these circumstances, Mr Patten has no choice to make himself ready to cap any LA which steps out of line.

Times - Chris Patten appears to have calmed the nerves of Tory backbenchers, but Labour describes it as a paltry package saying bills will rise sharply next year and services cut. Local authorities say they cannot cut their spending to meet the £39billion target.

Tony Travers, research director of the LSE, in the Times, says Mr Patten has calmed the waters for the summer. The flagship can, if the Govt is lucky, spend the next few months out of the political battle. The real test will come with the size of next year's bills and the public reaction. With the settlement, the Govt has probably saved the day, just.

Critical leader in the Times says your Cttee has laboured mightily and brought forth a mouse. It talks about panic in Govt, adding that the extra money could have been used to cut income tax by 2p, doubled spending on roads, built the Channel Tunnel rail link or helped electorally appealing health and education. Such has been the hysteria surrounding this tax that few have stopped to wonder if all this money could not have been better spent, if it had to be spent at all.

An Independent editorial likens Chris Patten to a fairground escapologist. Yesterday he got one arm free, but the chains still clank around his ankles, hobbling the Govt, and distorting its approach to a whole range of problems. Nevertheless his performance is quite clever, seen primarily as an exercise in damage limitation. He has reduced the impact of the tax on poorer people without embarking on new legislation which would have reopened the debate on fundamentals.

Telegraph p1 - 4million gain from Patten's poll tax changes. Councils say average charge will be £400.

Telegraph p2 - Cabinet leaves the door open for some spending increases. Leader says it will be surprising if this year a balanced budget is retained, leaving aside privatisation proceeds. The party is reconciled to the prospect of no tax cuts next year. It is still too early to say whether tax increases will be required. This year's PES round can convincingly claim to be the most difficult for a decade.

PRESS DIGEST

Guardian p1 lead - £3billion plan to soften poll tax. Cabinet review puts emphasis on minor anomalies.

FT- Chris Patten offers £3.3billion to hold up poll tax in run-up to Election. Govt acknowledges bills will still rise more than 6% a year. Generally well received by Tory backbenchers.

FT leader says that throwing money at local authorities in order to buy votes is not the way to increase either accountability or the efficiency of services. Best way to achieve these objectives would be to introduce a fair and respected system of local taxation capable of financing demands. The gov't should look to the property taxes used in other OECD countries.

Guardian says it is good some of the silly anomalies have been swept from the system. But the fundamental objections remain and the relief will at most be temporary.

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Nothing in Mirror.

Star p2 - Maggie: I deserve to win again.

Sun p2 - GO go Maggie fires the election gun; Tories would win, she tells cheering MPs.

Today p12 - Maggie vows to cut loans.

Express story incorporated into community charge piece - you warn of bare knuckle battle at next election.

Mail p2 - Don't rock the boat, pleads Maggie; urges party to avoid damaging leadership contest.

Times - You raise the political tempo by asking each of your Cabinet ministers to set up a policy group to begin preparing policy ideas for the Conservative election manifesto.

Telegraph inside - Thatcher puts MPs on snap election alert - upbeat end of term address.

Guardian p1 - Thatcher ready to delay calling a general election. Characteristically fighting speech.