# PRIME MINISTER

# MAIN EVENTS

- EC Agriculture Council (to Tue)
- ECOFIN, Brussels
- EC Troika visits Israel
- GATT officials meet to prepare final round
- Tourism '90 Launch (DEM)
- Traffic in London consultation document published
- Trade figures (June)
- DES research into school bullying published
- Scientific procedures on living animals (1989)
- International livestock organisation, Paris British presentation on BSE
- Energy Select Cttee reports on nuclear costs & desulpherisation
- Written Answer on measurement of poverty
- Written Answer to Home Affairs SC on vetting policy
- Commons statement on electricity privatisation
- Commons statement on teachers' pay
- Commons Statements by Scotland and Wales on RSG
- Commons: Questions: Energy; Arts; Civil Service

Debate: Summer Adjournment

- Lords: Debate: 3rd Rdgs, Hong Kong Bill and

Landlord and Tenant (Pubs) Bill

- Lord Chancellor at Merseyside Development Corp presentation
- Lord President addresses Age Concern annual conference
- Foreign Secy in Prague (to Tue)
- Chris Patten opens ICI Labs, Brixham
- Michael Howard visits Docklands; on Woman's Hour
- David Hunt visits National Museum; presents industrial awards
- John MacGregor at reception, teachers in special education
- Francis Maude in China (all week)
- Lynda Chalker meets Nkomo

### Main News

Govt reacts strongly to Labour's return to the rates plan to be agreed today.

Kenneth Baker says it would mean a return to the bad old days. He also challenges Kinnock to end the continuing community charge boycott by activists.

Home owners, Kenneth Baker says, will face huge bills.

<u>Independent</u> says nine million may be exempt from Labour's rates plan which would abolish the poll tax within a year; extend rebates and link them to ability to pay; and revalue property within 3 years.

<u>Sun</u>, <u>Express</u>, <u>Mail</u> and <u>Telegraph</u> bitterly attack Labour's idea; Times almost alone praises it.

Robert Kilroy-Silk, in <u>Express</u>, says Kinnock is becoming very silly, in the preposterous position of being automatically in favour of everything you are against.

Labour Party NEC to be asked this week to suspend entire Liverpool District Labour Party in fight against Militant.

Ronald Butt writing in the <u>Times</u> under the heading "Thatcherism redefined", says that the Govt faces stresses and strains ahead which would make it very hard for it to present to the voters a countenance that is politically prepossessing. Two dangers are pre-eminent - inflation and Europe. On the priority to be given to beating back inflation, there is now no difference of opinion in the Cabinet, and you seem to accept that public spending should have a priority over further tax relief once a choice is again possible.

836 arrests at Acid House party in Yorkshire - ends in battle between police and youngsters attending it. Police recover drugs.

Star says these parties are a cancer threatening youth of today.

Salman Rushdie attacks ban on Pakistani Moslem film that shows him being killed by a bolt of lightning. Film being sold on black market, according to Mail.

Independent says British Jews played a part in banning the film.

Britain's Muslim leaders accuse authorities of double standards by ban. <u>Times</u> leader says that censorship always backfires. The ban will mean that millions, not a few thousand, will want to see what is now a notorious film. Video pirates will satisfy the demand and private clubs will do a good trade.

<u>Independent</u> says Rushdie is right to argue that the grounds for the ban should be tested in court. The vital points are that every citizen should be treated with equality under the law, and that, except when an offence has clearly been committed, there should be a general presumption in favour of freedom of expression.

Major seeks support for our economic proposals among Euro finance ministers in Brussels today FT.

Press seem to be agreed in one thing about reshuffle - Edwina Currie will <u>not</u> return. <u>Today</u> says you should bring her back to add a spot of colour to Govt's greyness.

Guardian says you are under pressure to include more women.

Drought in prospect after 14 consecutive dry days.

Express calls for water meters in every home to save water.

Chris Patten urges public not to waste water.

25% believe customer service provided by water authorities has deteriorated since privatisation FT.

<u>Today</u> suggests speed limit in cities could be reduced to 20mph to beat smog, and all non essential drivers could be banned.

Speculation that 60,000 servicemen are to be made redundant as a result of Defence cuts.

Gorbachev suffers setback in his attempts to persuade the Baltic republics to stay in a reformed Soviet Union; his promise of economic prosperity is attacked from all sides <a href="Independent">Independent</a>.

East German Govt narrowly avoids collapse in row over date for unification; some want it before the joint election is held on December 2.

One in five East Germans likely to be out of a job after unification  ${\tt Mail}$ .

Ukraine parliament considering making a claim on Britain for the return of gold, worth an estimated £16,000billion, said to have been lodged with the Bank of England 270 years ago <u>Independent</u>.

NUM trying to back out of suing Scargill; will do so if he reaches a deal on money with Communist heads of International Miners' Organisation.

Others say Scargill faces more writs. His visit to Paris at weekend ordered by NUM.

Yorkshire miners' leaders will come under pressure today to withdraw support for the union-sponsored court action against Scargill Independent.

<u>Telegraph</u> says Scargill scandal may bring new curbs on unions; Govt launches study into possible loopholes in rules governing handling of union funds.

After years of procrastination, months of heated haggling and a sudden rush of political urgency, negotiators in the Uruguay GATT round sit down in Geneva today in last effort to agree on the way the world conducts its trade, before time runs out in December and the whole initiative collapses Times.

Kaifu backs calls to east Japan's rice import ban FT.

Row developing over privatisation of PowerGen, with Hanson as buyers, and prospect of National Power making 5,000 redundant.

 $\underline{\mathtt{FT}}$  says Govt under pressure to resolve disarray in electricity sell off plans. Hanson have been talking to govt about buying PowerGen. Ministers now considering whether to sell PowerGen to a single bidder in a competitive tender.

You are calling on small shareholders to veto big pay rises for directors Mail.

British managers on course for a 13% rise in total pay this year FT.

Forestry workers reject 14% FT.

Visa to appeal to High Court over MMC ruling which would permit retailers to charge customers who pay cash less than those who pay by credit card <u>FT</u>.

Ford bans smoking in its factories and offices.

Political pressure from US is suspected of being behind a delay in BAe recovering £240million from Japanese military for 27 BAe aircraft. It would be the first substantial order the Japanese Self Defence Agency has placed with any non-US company FT.

Lowest number of ships lost at sea in 1989 for 29 years.

Guardian claims computer software problems at signal centre which controls London's busiest commuter lines left operators working blind as train movewments were wiped from screen. But BR says at no time was any train at risk.

Duke of Edinburgh to chair private conference in London to discuss improvements to coastal resorts, which have suffered against competition from foreign package holidays Times.

Future of Battersea power station likely to be decided next week when Wandworth council's planning cttee considers revised plans by John Broome <u>Times</u>.

Labour claims OAPs have paid for cut in basic rate of tax through the Govt breaking the link between pensions and earnings.

John MacGregor expected to confirm that education authorities will be allowed to offer local pay deals to solve teacher shortages.

<u>Independent</u> welcomes Mr MacGregor's expected announcement on local agreements. It must ensure that his own civil servants do not sabotage this reform by making it extremely difficult for councils to opt out of national bargaining.

Telegraph says Mr MacGregor's plan to loosen regulations in teachers' pay is constructive and long overdue.

<u>Guardian</u>, writing of a national teaching crisis, grudgingly sees point in differing pay rates in differing subjects.

88% of adults believe Govt should put more cash into education, according to poll conducted for NUT.

Abortion pill available only in France could be in use in Britain within two years as French company is to seek marketing licence in this country <u>Times</u>.

62% of private hospitals in UK are run for profit comapred to 41% in 1979, survey shows. Over the same period the proportion of charitable institutions fell from 59% to 38% Independent.

6.

Chief Probation Officers step up their lobbying against Home Office proposals to abolish the 56 probation cttees and create a national service Independent.

11th hour deal in Dublin appears to have saved 700 jobs at the closure-threatened Irish Press Group.

Commons Motion signed by more than 100 Tory MPs will today call on Govt to restrict broadcasters from making programmes they claim are biased Times.

First audience research on homes with territorial and satellite television shows Sky more popular than BBC1 and BBC2 <u>Independent</u>.

Ian Gow says Granada should be prosecuted if World in Action refuses to disclose identity of man who claims on TV tonight he was responsible for IRA Birmingham pub bombing.

<u>Mail</u> leader says those concerned have not informed the police of any new evidence about him; if they have new evidence it looks like an affront not only to rule of law but to common humanity.

IRA sympathisers running a Freephone line in New York to which public can pledge donations via credit card numbers. Star describes it as the "kill-a-squaddie" line. It says USA must decide whose side it is on.

Two girls detained in Thailand on drugs charges made two dummy run trips to Bangkok airport without boarding plane.

<u>Mirror</u> says Britain must have no dealings with Iraq, notwithstanding release of Mrs Parish; Saddam Hussein is a tyrant who obeys no rules.

<u>FT</u> leader headed "hands off Kuwait" says Saddam should not be antogonised but should be left in no doubt that the world community is united in its determination to confine his ambitions to within Iraq's internally accepted borders.

Kaufman flies to Syria to try to break deadlock over release of British hostages.

Police arrest 40 ANC members after arms find Times.

7.

British Govt will press today go for guilty verdict, in Hong Kong "show trial" against the colony's first fledgling political party for using loudhailers in a demonstration of non-violent resistance to the laws agreed for Hong Kong under Chinese rule after 1997 Independent.

8 year bases agreement brings thaw in relations between Greece and the US Independent.

Bush faces clash following abrupt resignation of Supreme Court Judge William Brennan FT.

Tehran likely to renew diplomatic links with Cairo sooner than predicted, following mediation by Syria's President Assad Independent.

Nick Faldo wins British Open Golf Championship.

# RATES

<u>Sun</u> leader headed "Don't fall for Neil's nonsense" says bills would soar and be swollen because a Labour Govt would allow greedy councils to become greedier.

<u>Express</u> leader says Labour's plan is a Fool's Day joke. All the old anomalies and unfairness will be back. Kenneth Baker must be finding it hard to believe his luck.

<u>Mail</u> leader says so bankrupt is Labour's thinking about local govt finance that after many years of research and discussion the best improvement it can think of is to return to the rates. The community charge is far from perfect but it will never match up to the nightmare of revalued rates.

<u>Times leader</u> under the heading "To Labour's Credit" supports the proposals saying it was the Conservatives who lacked the courage to rethink and come to a fresh conclusion. No tax system is ever either fair or perfect. But Labour's is at least more fair. It has shown a way to ease this wretched episode and restore sanity to local taxation.

<u>Telegraph</u> says revaluation would bring immense pain to a large number of unsuspecting people. But the strongest objection to Labour's rates proposal is that it does nothing to protect those who have to pay against the inbuilt tendency of local authorities to overspend.