PRIME MINISTER

MAIN EVENTS

- Eastbourne by-election
- AAIB Report onb Kegworth Air Crash
- EC Culture Ministers, Rome (to Fri)
- EC Telecommunications Council, Rome
- European Health Ministerial conference, Nicosia
- Unemployment figures (Sept)
- Money supply (Sept prov)
- National Children's Bureau Conference on Children Act
- Training & Enterprise Councils conference (to Sat)
- Weather pollution reports launched (Michael Portillo)
- Anthony Cavendish Inside Intelligence published
- Koestler Awards for prison art
- Long term trends in prison population

Commons: Questions: MAFF; Prime Minister Debate:

PAC reports, including NHS management Lords: Debate: Warnock Bill, Commons Amndts

Question: Haemophiliacs and AIDS

Lord Chancellor addresses Magistrates' Association AGM

- Chancellor gives Mansion House speech
- Home Secy addresses Crime Concern annual conference
- John MacGregor speaks to Chairmen, Directors & Chief Executives of TECs, Brighton; lunches with Chairmen of Polytechnic Boards of Governors
- John Wakeham addresses Faraday House OSA dinner
- David Hunt meets Welsh LAs on finance
- Michael Howard at TECs conference, Brighton
- Chris Patten gives One World Lecture, Croydon
- BBC TV "Question Time" (from Edinburgh) with Malcolm Rifkind

GULF/MIDDLE EAST

Foreign Secy's trip to Israel seen as a disaster; unnamed official falsely leaks his alleged opposition to Palestinian State - Palestinians refuse to see him.

All this on day when ICM poll in <u>Guardian</u> has him riding high in Tory popularity poll.

<u>Star</u> - It just hasn't been his week. At the start of the Gulf crisis, his cool authority earned him praise at home and abroad. But now we are in danger of making new enemies every day.

Sun - Peace mission collapses in chaos.

Mirror - Bruised Hurd is snubbed again.

Today - Hurd peace mission is in tatters.

Express - Hurd's Middle East mission in tatters. Just who is representing us in Middle East - Mr Hurd or Monsieur Hulot? The Foreign Secy has blundered from one farcical incident to another. But it will not have been a totally worthless visit if it makes him keep quiet about Israel and concentrate on Kuwait.

<u>Times</u> pl lead - Hurd shunned by furious Palestinians; <u>leader</u> says that dogged though his visit to Israel has been by accident and gaffes, Mr Hurd cannot entirely blame the black farce on the relentless operation of Murphy's law. The truly avoidable error was the trip itself. For a British Foreign Secretary to be bizarrely denounced as both pro-Palestinian and pro-Israeli inside 24 hours shows the danger of such exercises in futile intervention.

<u>Mail</u> - Hurd shambles. Peace mission collapses as Palestinians boycott talks.

<u>Telegraph</u> pl lead - Hurd boycotted after 'leak' by Israeli officials who say he did not play by the rules "so he cannot expect us to play by the rules either".

<u>Times</u> says the UN Security Council has drafted a new Gulf resolution which is long on rhetoric and short on practical measures.

James Baker calls for patience from the international community in its dealings with Saddam Hussain Times.

<u>Independent</u> says US forced British UN initiative to sidelines in bid to assert American leadership in campaign to isolate Iraq. Washington gives cool reception to UK ideas on compensation resolution.

Leading members of Japan's ruling party say Kaifu's plan for troops abroad could bring his govt down Independent.

Battle against Iraq would not meet basic condition of "just war" says Church of England theologian on Today programme religious slot Independent.

Saddam Hussain strips 8 British diplomats in Baghdad of diplomatic status.

Three Britons escape from Iraq across border with Saudi Arabia; Scottish doctor returns home after completing his contract in Baghdad.

German Foreign Office official, a Moslem, arrested on suspicion of passing NATO military secrets to Iraq.

Shell and BP cut petrol prices by 8.6p after 4p cut by Esso.

ECONOMY/EC

Strong opposition to the imposition of a single European economy will be emphasised by John Major in his Mansion House speech tonight Times.

Labour preparing to endorse single European currency, claims Independent, provided certain conditions are met. But no commitment in next week's debate.

Majority of EC states would back a limited extension of Euro Parliament powers says report prepared for Paris summit Independent.

Tory strategists say the public backs your anti-federalist stance on Europe <u>Independent</u>.

<u>Telegraph</u> says Denmark, our oldest and most trusted ally in the EC, has switched to pro-Federalist camp. Also wants EC to be given competence over culture, education and health.

Liberal Democrats to commit themselves to single Euro currency and central bank free of democratic controls Independent.

A temporary breakdown in US Govt came closer yesterday as President Bush says he will veto the proposed tax-raising budget Times.

POLITICS

Labour's lead put at 13% by ICM poll (49-36).

Tories to win Eastbourne by-election with much reduced majority - general tip. Liberal Democrats claim they could pull off a coup.

<u>Telegraph</u> leader says union leaders and Opposition politicans are behaving in an equally irresponsible manner over pay claims.

SOVIET UNION

<u>Times</u> leader discusses Gorbachev's economic plan concluding that unless the Soviet people's patience is unlimited, it looks as though Mr Gorbachev may for once have miscalculated. His plan does not deserve Western financial support.

Prime Minister of Ukraine forced to resign for opposing Ukraine sovereignty.

EDUCATION

John MacGregor presented as emerging victorious in public spending round gaining £500million and agreeing simplified tests for 7 year olds with you.

Star - No rift (with you) says MacGregor.

Sun - MacGregor forced to settle for £500million.

<u>Mirror</u> - Thatcher in U-turn over cash for crumbling schools; Treasury ordered to inject £500million after Labour make it No 1 election issue. <u>Leader</u> says it will be a hollow victory until education is made No 1 priority in Britain as it is in France.

<u>Today</u> - Mac's £500million booster for slum schools. <u>Leader</u> headed "Victory to MacGregor" says you have had the good sense to concede gracefully.

Express - Mac agrees to pact over 3Rs - he bows to your pressure
on testing for all 7 year olds.

<u>Mail</u> pl lead - MacGregor outflanks Treasury in battle for school cash and confronts you.

Independent pl lead - MacGregor wins substantial spending increases with your full support. Victory kills immediate speculation about his future. But remorseless whispering campaign lends credence to suspicion that you might switch to a more aggressive personality for Education Secy in the next reshuffle.

Leader says Mr MacGregor is right to seek more money, but wrong to devote much of it to repairing schools. Teachers are more important. He should have put forward an energetic plan for breaking the power of the teaching unions and restoring the profession by raising pay.

<u>Times</u> - 3Rs test dispute resolved. <u>Leader</u> says you are playing a dangerous game on education. After yesterday's much publicised meeting with John MacGregor, you should express confidence in him and leave him quietly to bed down your already vast reform programme. There is much scope for Tory radicalism elsewhere. Here is a case for consolidation.

Telegraph - 3Rs test approved by Thatcher.

<u>Guardian</u> says sixth forms may soon be allowed to take in part time students to improve staying-on rates.

LOCAL GOVT

80% have paid community charge, according to Michael Portillo; Audit Commission says 4million face court action for failure to pay.

Audit Commission says community charge could be reduced by £27 a year if local authorities in London cracked down on staff who take three times more days off sick than rest of British workers.

Today says this is a shocking condemnation of local govt managers.

<u>Mail</u> says no wonder public sector unions bitterly oppose community charge. This is a sick joke.

Sheriff Officers have been ordered to seize university and college tuition fees from up to 1,000 Scottish students who have refused to pay the community charge <u>Times</u>.

<u>Times</u> says that an Audit Commission report to be published next month will say that computer software problems have seriously hampered the collection of the community charge.

Wandsworth Council cuts more then £4million in services amid fierce protests from residents, unions and volunteer groups Times.

INDUSTRY

2,000 jobs under threat at Cammell Laird's shipyard which is up for sale.

EC is likely to refuse state aid to potential buyers of Cammell Laird in a move that could prove fatal to the shipyard Independent.

Michael Howard says high pay settlements could put 250,000 out of work.

<u>Sun</u> leader says the warnings about over-generous pay settlements are right.

National Consumer Council says Milk Marketing Board should lose its monopoly and right to fix prices with Dairy Trades Assn.

Allegations of bribes and bakchanders worth £35million to Malaysians to secure British hydro electric scheme.

TRANSPORT

London Underground expected to lose £40million this year.

ENVIRONMENT

Lady Blatch's speech on the reorganisation of the Nature Conservancy Council brings a 25 minute adjounment for the House of Lords after peers protested that they could not assess it without a written copy in front of them **Times**.

Sir James Goldsmith to fund a campaign against British nuclear industry Times.

Long hot summer has devastated young trees and fears whether mature trees will survive next 4 years.

UNIONS

<u>Times</u> says the Govt is facing growing embarrassment over the in-house staff federation at GCHQ.

HEALTH/SOCIAL SECURITY

<u>Today</u> campaigning for a clamp down on shops which sell cigarettes to children.

Researchers say shopkeepers who sell single cigarettes to children are acting as cynical drug pushers Times.

Commons Select Cttee to attack community care policy as underfunded and inadequately planned Independent.

Tories will press you to rename child benefit "child allowance" and allow level to be set by Chancellor as part of Budget Independent.

Health Service Managmenet Executive say health authorities will have to forfeit money allocated for reducing waiting lists if they fail to reach present targets **Times**.

LAW & ORDER

<u>Sun</u> says John Cairncross last night denied he was "fifth man" or had ever betrayed his country.

Trainer, a former jockey, being questioned by Yorkshire police in connection with St Leger doping.

Lord Chancellor calls for tougher divorce laws to help the 150,000 children whose parents part each year. <u>Express</u> says Lord Chancellor is right to be concerend but wrong to think the answer is to put the clock back.

Means tests may go in shake up of legal aid Times.

<u>Telegraph</u> says Govt could be given access to police computer to vet applications for jobs.

PEOPLE

Archbishop of Canterbury to have operation for removal of benign growth in throat.

MEDIA

Japanese showing interest in investing in ITN.

Broacasters still worried by "watered down" impartiality clause, claiming ITC gave in too easily in talks with Govt <u>Independent</u>.

FOREIGN

Hugo Young in <u>Guardian</u> says the case for revising the liberal position over South African sanctions becomes ever more urgent - they are irrelevant and destroy the faint hopes for South African survival as a prosperous country.