

PRIME MINISTER

TUESDAY 5 AUGUST 1986

MAIN EVENTS

Prime Minister attends Commonwealth Review Meeting, London
Edinburgh Military Tattoo begins (to August 30)

STATISTICS

BOE: Provisional estimates of monetary aggregates
(mid-July) (1430)

CLSB: London and Scottish banks' monthly statement (July)
(1430)

OPCS: Cancer survival 1979-81 registrations

PUBLICATIONS

DES: Draft circular on sex education; circular on falling
rolls

HMT: Byatt Report: Accounting for Economic Costs and
Changing

MINISTERS (UK VISITS, SPEECHES ETC)

DOE: Mr Ridley visits West Yorkshire

DOE: Mr Tracey chairs working party meeting on measures to
combat football hooliganism

DHSS: Mr Whitney visits Phoenix House, London

TV AND RADIO

"Questions of Defence"; BBC 2; (1930): Part four of six
episodes in the history of NATO

"First Tuesday"; ITV; (2230): Twilight in Belize

PRESS DIGESTCOMMONWEALTH SUMMIT

- The communique comes too late for most papers, but Times and FT have it. Also Express and Star.
- Times: "Thatcher isolated as Summit fails". Leaders agree to disagree. Defiantly, you told a press conference early today that the outcome would not be damaging to the unity of the Commonwealth.
- Mugabe accuses Britain of being an ally of apartheid and letting Africa down. Sanctions may be applied against the UK. The frontline states will suffer retaliation by South Africa.
- BA and British Caledonian are seeking licences to fly to Botswana.
- Lange says your opposition to sanctions is being taken to protect British financial interests.
- The United Democratic Front in Johannesburg called on Commonwealth leaders not to be dictated to by you.
- Star: "Go-it-alone Thatcher's crisis". You explained early today why you could not commit Britain to all-out sanctions. "Summit ends in chaos". Your package of limited measures was rejected but you told the others: "Like it, or lump it".
- "Big bust-up on sanctions. Maggie all alone". In a series of private meetings with the individual leaders you made it clear that this was not your negotiating position - it was your final redoubt.
- Labour denounced the package as "meaningless, half-hearted and grudging".
- John Carlisle said it was the first step on the escalator to sanctions.
- Guardian: "Summit abandons Britain. Commonwealth task force to prepare sweeping sanctions after Thatcher refuses to give way".
- Telegraph: "Summit agrees to differ. Commonwealth leaders resigned to failure. Thatcher compromise rejected".
- Right-wing Tories warn that any future measures risk splitting the party.
- Communist bloc countries have been approaching British firms offering a "back door" route for exports to South Africa.
- Sun: "Snubbed! Mrs T refuses to shake Kaunda's hand". Still fuming over his public dressing down of Sir Geoffrey, you stared straight ahead and stalked past him at a drinks reception. You also argued with most of the other leaders.
- Mirror: "It's not good enough, Maggie". Commonwealth leaders last night agreed to go their own way on sanctions. The compromise deal appears to be a way of avoiding a damaging split.
- Express: "It's Maggie v. the rest". A sanctions deal emerged last night after a hard battle between you and the other leaders.
- Ministers have been warned of the serious impact of a Commonwealth trade boycott of Britain. The damaging implications are spelled out in a secret FCO document.
- Mail: "Maggie's Ace. She holds it and wins the sanctions struggle". You defied day-long pressure. Last night a 9-page communique was agreed after a marathon struggle.

NORMAN TEBBIT

- Times: "Tory fears over Tebbit rift with Downing Street". There is growing concern about relations between you.
- You have been presented with damning new evidence of the Government's huge loss of support among key voters.
- Young and Rubicam is preparing a more extensive version of their research, commissioned without the knowledge of the party, to await your return from holiday.
- You are expected to announce the appointment of a second deputy chairman of the party in the autumn.
- The appointment of a director of presentation will also be announced later this week.
- For months you have been holding secret meetings at Chequers to consider alternative strategies.
- Sun: "Tebbit in line for the axe?". He denied yesterday that he is ready to quit, but Cabinet colleagues predicted that if he doesn't jump he may be pushed.
- Star: "Angry Tebbit raps 'barmy' quit claims".
- Express: "Tebbit shrugs off 'rift' with No 10". But he wants you to intervene publicly to end speculation.
- Mail: "Tebbit to stay, despite rift", but he is looking for a denial from you.
- Today: "Sack Tebbit, PM urged. Top Tories want Walker brought in". Tory grandees are putting pressure on you. Lord Whitelaw is among those who want Peter Walker as party chairman.
- Guardian: A poll of Conservative MPs (no date) showed that support for Mr Tebbit as a future party leader had fallen from 54 to 18%.

POLITICS

- Express leader says Neil Kinnock's response to Robert Kilroy-Silk's resignation shows that he has lost all credibility.
- Telegraph: A future Labour Government intends to draw up its full economic strategy only after consultation with the trade unions, management and the public.

STERLING

- Sun: The pound took a pounding on European foreign exchange markets yesterday, hitting record lows in Frankfurt and Zurich.

NUCLEAR

- Guardian: The government commitment two years ago to the other European nations to further reduce radioactive discharges appears to have been abandoned.

OIL

- Sun: Petrol prices are down to 141.9p a gallon in some places.
- Mail: Oil prices were rising last night after OPEC agreed to slash production.

INDUSTRY

- Mirror: Bob Bauman, vice-president of the US Textrum group, has been appointed chairman of Beecham in Britain at a salary reported to be over £500,000 a year.
- Mail: Eastem Airlines to stop its Miami-London flights because it cannot compete with Virgin.
- British Rail is planning big fare increases from January, claims the Central Transport Consultative Committee. The Committee's report describes BR's performance last year as "patchy".
- Today: British Rail is not "getting there".
- FT: Vickers Shipbuilding has been asked to tender for constructing the second Trident submarine.
- Peter Laister, who resigned as chairman and chief executive of Thorn EMI received a golden handshake of £440,000.
- Rolls Royce stands to gain a world-wide market for several hundred of its RB-211 engines if BA chooses it for its Boeing 747 jets.

PRIVATISATION

- Star: Labour Treasury spokesman, Dr Oonagh McDonald, says legal advice is being sought over the decision to continue with the sale of the TSB despite the row over ownership of the bank's £800m assets.
- Telegraph: Rover has asked accountants to prepare a report on its profitable computer services subsidiary, Istel. It could be another part of the group to be privatised.

UNIONS

- Star: Over 13,000 Welsh miners have started an overtime ban over the delayed payments of last year's pay rise.
- FT: Workers at Westland have accepted a revised pay offer, which is profit-related.
- Guardian: SOGAT and the NGA gave undertakings yesterday that they will not carry out or sanction acts of violence at Wapping.

MEDIA

- FT: The Government plans a broad review of the future of UK broadcasting.

JOBS

- Mirror: Guidelines issued to tutors working on the Government's Restart programme urge them to lecture the unemployed about their basic needs - bread, water and a little love. Labour brands it as humiliating.

YOUR OPERATION

- Star: Full page article on your health concludes you get too little exercise and work too hard.

HEALTH/WELFARE

- Mail: Police are investigating an agency planning a transatlantic boom in babies for sale at up to £13,000.
- Today: Roy Hattersley has a page to explain that "there's nothing socialist about empty promises".
- Times: Bupa says the NHS could price itself out of the pay bed market.

HOUSING

- Express: Halifax Building Society figures show that house prices increased by 13.6% in the year ending 31 July. Many young buyers are being forced out of the market.
- Telegraph: House-buyers will be allowed to rent part of their property cheaply while buying the rest with a mortgage, under a new Government scheme.

LOCAL GOVERNMENT

- Times: The Government is to bring in a new bill to force local councils to privatise more services and stop ratepayers' money being used for political purposes.

MEDIA

- Times: Eddie Shah confirmed yesterday that he is considering relinquishing control of 'Today'.

PEOPLE

- Sun: Neil Kinnock is off on holiday to the Greek isles.
- Mail: Two girls were ordered off a holiday jet to make way for his family. In all, nine people were left stranded.

LAW AND ORDER

- Sun: A judge in Winchester yesterday based a weekly fine paid by ten brawling youths on the number of cigarettes they smoke.
- Express: Britain's Freemasons are to break their code of silence to knock down allegations that they were involved in a plot to bring about the downfall of John Stalker.
- Times: 90% of accident victims receive no compensation and what is paid is too little and too late.
- President Reagan launches a big crusade to free the US from drugs.

TERRORISM

- Star: A previously unknown group called the Unified Nasserite Organisation, Cairo, has claimed responsibility for the attack on Akrotiri.
- Times: Concern is growing about the extent of the raid. It was more serious than first thought.

DEFENCE

- Star: More than 100 Gurkhas have been sacked following a brawl in Hawaii. They refused to cooperate with an army inquiry.

US/USSR

- Times: George Shultz and Shevardnadze will meet in Washington on September 19/20 to prepare for a possible Summit.

AUSTRALIA

- Times: By-election results show that for the first time a government led by Bob Hawke is in deep trouble with the electorate.

JIM COE