

group first. The minutes of practically all these meetings and other secret documents have been acquired by *Social Work Today* magazine.

At the first meeting on 31 May, the Chief Executive Robert Peggie obligingly proposed reorganising the system so that departmental reports would be channelled via himself and the Finance Director Blair Grosset 'into the Conservative Group centre'. Since then all important council proposals on roads, education, social work and much else have been discussed in detail and often amended at the Centre Group meetings.

A disproportionate amount of discussion among the Tory elite seems to have focused on public relations. Brian Meek told the first meeting that in recent years Lothian had had too much publicity and 'in future it was his intention that rather than have matters publicised, the Conservative Group would wish to meet and influence people who mattered.'

The minutes disclose that officials and Tory councillors do not always agree — the councillors were evidently deeply divided about whether or not to support the provision of a new shooting range. Lothian's social work director, Roger Kent, one of the few department heads who refuses to accept cutbacks without a struggle, has clearly been a source of mounting irritation for Tory councillors and other officials.

At the start of August he was taken to task for a forthright report on the damaging effect of spending cuts on social services. Later the same month, when he submitted a draft 10-year programme for social work capital spending, Mr Grosset attacked the plan as 'impossible' and likely to lead to 'continued disappointments'. Mr Kent was also strongly criticised for being the only director who had refused to accept staffing cuts. According to the minutes, both Brian Meek and Robert Peggie said that 'there was no question of a stalemate being reached with social work — the Director simply had to be told that he would be required to find the proportion of posts involved.'

At a special weekend seminar for all Conservative councillors, held last month in the Marine Hotel, North Berwick, it was decided to aim to cut £20 million off next year's budget — though, as the minutes record, 'the point was made that many electoral divisions which had returned Conservative councillors were in great need of the Council's services and that this should not be lost sight of.'

The leader of Lothian's Labour Group, John Mulvey, said that even though the Tories did not have an overall majority 'they have taken a grip of the whole administration of the council in a way that I don't think we ever did in four years.'

Rob Edwards

Export boom in arms for Indonesia

A NEW ROUND of arms sales to Indonesia is planned by British government officials, according to a classified report obtained by the *New Statesman*. The report reveals that the Department of Trade is planning to raise Indonesia's credit-worthiness for export guarantees to at least £1 billion this year and £2 billion overall. Of this, £340 million would go for arms sales.

The Conservative government's attitude to Indonesia, which almost seven years ago invaded the former Portuguese colony of East Timor, is in distinct contrast to the stance taken against invading Argentina this year, when ministers successfully won the arms and trade embargoes against Argentina. More than 100,000 of the inhabitants of East Timor are believed to have died during the Indonesian repression. In Indonesia up to a million leftists and others are estimated to

have died since the dictatorship of President Soeharto was established in 1965.

According to a paper prepared by the Country Policy Division of the Export Credits Guarantee Department two months ago, an official visit to Indonesia in February by Lord Carrington and an entourage of businessmen was successful in drumming up arms business — all related directly to the continued repression in East Timor. The items they hope to sell are

- A Mark 15 Frigate, worth £273.3 million, and possibly Type 21 Frigates
 - Five British Aerospace Hawk aircraft, worth £29 million
 - Eleven Armoured Security Vehicles, worth £1.2 million
 - Sea Wolf missile launchers, worth £36 million in cash.
- It is a safe sale because, as the docu-

ment notes, there is in Indonesia 'No effective challenge to the present system of government . . . the existing regime is unlikely to change.'

This week, the United Nations is voting on self-determination for East Timor, on which this government has always abstained. Liberal peer Lord Avebury told the United Nations this week that Britain was guilty of 'complicity and acquiescence' in Indonesian repression. As the task force sailed against Argentinian repression in May, *Tapol*, the British Committee for the Defence of Political Prisoners and Human Rights in Indonesia, wrote to the Foreign Office to ask for an arms embargo against Indonesia too. Mr Richard Powell, of the South-East Asia Department of the FO, wrote back that the 'important differences' were that the Falkland Islands were under 'British Administration' and were 'inhabited by people of predominantly British stock'. East Timor, he wrote, was 'quite different'.

Duncan Campbell

Cheap bus fares to be illegal

MANY BUS fares could double next year if transport secretary David Howell gets his way. The new Transport Bill, which was published last week, gives Howell the power to set a maximum limit for the subsidy that each major city can provide for its ailing public transport. In the six English metropolitan counties Howell plans to cut £33 million from the total subsidy, which this year amounts to £249 million. And this figure does not take any account of inflation.

The result will be massive fares rises. The worst hit county will be South Yorkshire. Howell wants to cut their subsidy by £17 million. Yet even doubling the fares will only produce an extra £7 million. Merseyside will also be badly affected, losing £11 million in subsidy. Yet unlike South Yorkshire, Merseyside had a fairly low subsidy. The Merseyside cut can best be explained as Howell's spite. Merseyside cut its fares by 10 per cent last year, and got away with it when the High Court ruled that the reduction was legal.

London will get a slight increase in subsidy, following the increase in fares after its court defeat earlier this year. But the 25 per cent cut that the GLC wanted to make this April now seems more likely to be only 10 per cent.

The way the new law will work is that the government will set a maximum subsidy level for each conurbation. Any council which spends more can be challenged in the courts and councillors could be surcharged by the district auditor. If the Bill becomes law then it will end Labour's distinctive transport policy. The Labour parties in the

Bus fares for a three-mile journey

60p	London
45p	Southend, Lancaster, Halton
44p	Burnley
43p	Islwyn
42p	Fylde
41p	Blackpool, Rhymney Valley
40p	Cardiff, Cleveland, Cynon Valley
38p	Brighton, Taff-Ely, W. Yorkshire
37p	Merthyr Tydfil
35p	East Staffs, Glasgow, Southampton
34p	Colchester, Warrington
33p	Bournemouth, Hyndburn
32p	Portsmouth
30p	Blackburn, Derby, Greater Manchester, Great Yarmouth, Grimsby and Cleethorpes, Nottingham
28p	Eastbourne, Thamesdown, Tyne and Wear
27p	Preston
26p	Chesterfield, Hartlepool, Ipswich, Merseyside
25p	Leicester, Lincoln, Northampton, West Midlands
24p	Chester
23p	Reading
22p	Newport
20p	Darlington
8p	South Yorkshire

GLC and the six metropolitan counties went into last year's local council elections promising lower fares. In effect, Labour will not now be allowed to offer this policy.

Yet as the results of a *New Statesman* survey show, bus fares in most major cities are not cheap, and London fares are the most expensive in the world. Howell aims to make sure they stay that way.

Mick Hamer

Dudley goes critical

DUDLEY COUNCIL, criticised for low spending on education in a survey by Her Majesty's Inspectors (HMI), is about to impose a further round of cuts with the imminent completion of a report by management consultants Price Waterhouse. Their report, due in one or two weeks, was commissioned by the Tory-controlled

authority to locate additional areas for savings.

The HMI survey of Dudley's education service — published last month but carried out 18 months ago — concluded that Dudley 'is now at the edge of what can be done within present levels of funding'. Since that survey was carried out, a further £1.78 million has been lopped off the education budget.

The survey also said there was 'no slack in the administrative arrangements'. But the Price Waterhouse team has been looking mainly at administration in the education department and in the schools. School-based options being considered include using fewer supply and peripatetic teachers, cutting technicians and ancillary staff in schools.

The most immediate threats from the Price Waterhouse exercise are further cuts in school allowances for books and equipment and a worsening in nursery provision. School allowances were cut earlier this year by £200,000 (20 per cent) plus a further £97,000 through abandoning an allowance for inflation. Then, the education committee decided against an even larger cut of 25 per cent by what a confidential committee memo called 'the danger of emotive publicity'.

The Dudley committee has also been considering the discontinuation of nursery education. Price Waterhouse is reviewing the authority's policy on provision. The most likely step will be a cut in the adult/child ratio in nursery provision from 1:20 to 1:30 in order 'to create significant savings'. This would be on top of this year's ratio cut from 1:15. The Department of Education and Science recommends a ratio of 1:13.

Rick Rogers