

Hurd takes over from Brittan in Government reshuffle

Young and Clarke join forces to cut dole queues

● In an extensive reconstruction of the Government yesterday, Mrs Thatcher moved Lord Young of Graffham into the job of Secretary of State for Employment, to head a new job creation drive

● Mr Douglas Hurd becomes Home Secretary. His post as Secretary of State for Northern Ireland is taken by Mr Tom King, formerly Employment Secretary

● Mr Leon Brittan, Home Secretary for the past two years, moves to become Secretary of State for Trade and Industry, taking over from Mr Norman Tebbit

● Mr Tebbit becomes Conservative party chairman with a seat in the Cabinet as Chancellor of the Duchy of Lancaster. He will be responsible for preparations for the next general election

By Julian Haviland, Political Editor

The Prime Minister reconstructed her Government yesterday to bring two of her favourite colleagues, Mr Norman Tebbit and Lord Young of Graffham, into positions where she believes their success will be crucial if the Conservatives are to win a third successive term of office.

Mr Tebbit becomes party chairman with a seat in the Cabinet as Chancellor of the Duchy of Lancaster and will be responsible to Mrs Margaret Thatcher for fighting and preparing for the next general election, expected in 1987.

Major and unexpected changes appeared to have stemmed directly from Mrs Thatcher's decision on Sunday not to recall Mr Cecil Parkinson to his former position at the Department of Trade and Industry. Mr Leon Brittan, after two years as Home Secretary, takes over from Mr Tebbit as Secretary of State for Trade and Industry.

Mr Douglas Hurd moves from Northern Ireland after only a year as Secretary of State, to become Home Secretary. His is the most striking promotion: he rises from twentieth to seventh place in Cabinet ranking.

Lord Young, who was brought into the Cabinet a year ago as Minister without Portfolio with responsibility for promoting policies "for growth of enterprise and the creation of jobs", becomes Secretary of State for Employment in place of Mr Tom King. The department is enlarged to include parts of the Department of Trade and Industry, including responsibility for small firms, which the Government sees as the most fruitful source of new jobs, and for tourism.

Although Lord Young ranks nineteenth in the Cabinet, which remains 22 strong, this is the key promotion and the key department, with unemployment still stuck at well above three million, seen by the Prime Minister as the main threat to her party.

Three new ministers are brought into the Cabinet and

three go out, only one of them voluntarily.

Mr Kenneth Clarke, who has been Minister for Health, becomes Lord Young's deputy as Paymaster General, and the department's principal spokesman in the Commons. It was at once apparent last night that Mr Clarke will need all his acknowledged political skill to overcome Opposition hostility, shared by some Conservatives, to the Prime Minister's decision to put a member of the House of Lords at the head of so sensitive a department.

Mr Kenneth Baker, formerly Minister for Local Government, becomes Secretary of State for the Environment in place of his former chief, Mr Patrick Jenkin.

Mr John MacGregor moves up from Minister of State at Agriculture to become Chief Secretary to the Treasury, in place of Mr Peter Rees.

Both Mr Jenkin and Mr Rees in letters to the Prime Minister

Profiles, letters
Leading article
Kenneth Fleet

2
13
17

last night, loyally accepted their fates, which were expected.

The unexpected departure from the Cabinet was that of the Lord Gowrie, who was Minister for the Arts, and for the Civil Service. Lord Gowrie wanted to resume a business career.

The displaced Mr King takes over as Secretary of State for Northern Ireland, a decision that was greeted with criticism last night. Some Conservatives feared that Mr Hurd's work in trying to bring Unionist and Republican together in Northern Ireland might be jeopardized. It was feared that Mr King would need time to learn the ropes before he could be effective.

Within Conservative ranks there was a mixed reception for Mr Tebbit's move to Central Office. Senior figures on the left of the party were severely critical, suggesting that voters alienated by the Prime Minister would not be attracted by a chairman from the same Con-

Continued on back page, col 7

Thatcher's ministerial changes

New Cabinet appointments are:

Secretary of State for Trade and Industry: Leon Brittan, QC (£44,969; £33,260 Cabinet salary, plus £11,709 parliamentary allowance).

Secretary of State for the Home Department: Douglas Hurd, QC (£44,969).

Chancellor of the Duchy of Lancaster: Norman Tebbit (£11,709; not claiming £33,260 ministerial salary).

Secretary of State for Northern Ireland: Tom King (£44,969).

Secretary of State for Employment: Lord Young of Graffham (no ministerial salary).

Secretary of State for the Environment: Kenneth Baker (£44,969).

Paymaster General: Kenneth Clarke, QC (£44,969).

Chief Secretary to the Treasury: John MacGregor (£44,969).

The Queen had also approved the following appointments:

Privy Council Office, Minister of State (Minister for the Arts): Richard Luce (£33,590; £21,881 ministerial salary plus £11,709 parliamentary allowance).

HM Treasury, Minister of State: Ian Gow (£33,590).

Ministry of Defence, Minister of State (Minister for Defence Procurement): Norman Lamont (£33,590); Minister of State for Defence: Lord Trefgarne (£28,000).

Department of the Environment, Minister of State (Minister, Environment, Countryside and Local Government): William Wedderburn (£33,590).

Minister of State (Minister for Housing, Urban Affairs and Construction): John Patten (£33,590); Parliamentary Under-Secretary of State: Mrs Angela Rumbold* (£28,120; £16,411 ministerial salary plus £11,709 parliamentary allowance).

Department of Health and Social Security, Minister of



Lord Young (left) and Mr Tebbit leaving 10 Downing Street yesterday.

TUC split looms as rescue of engineers is set to fail

From Donald Macintyre, Labour Editor, Blackpool

An effort to commit the TUC to rethink its policy on the current employment laws and rescue the Amalgamated Union of Engineering Workers from its threatened suspension was heading for defeat today.

On the eve of tonight's crucial meeting of the AUEW executive, the TUC general council voted by a 3-1 majority to oppose a motion from electricians' leaders, which called for a review of the TUC's policy of non-cooperation with the law.

The motion, which Mr Eric Hammond, of the Electrical, Electronic, Telecommunication and Plumbing Union indicated could help to avoid the threatened TUC split, now seems certain to be voted down when the congress continues its debate on the law today.

As efforts continued to find some formula which could avert the split, Mr Norman Willis, general secretary of the TUC, used an emotional speech, before the congress promised its all-out support for

funding, for postal ballots, Mr Willis said that if the battle to maintain trade unionism at GCHQ was to be won "we need the electricians. We need the engineers in this congress. We need a national trade union renaissance."

Although there was no sign last night of a change of heart on the AUEW executive, Mr Gavin Laird, its general secretary, said he was "exploring every possibility" for avoiding the split. The union faces suspension unless it indicates it will comply with the TUC boycott on government funds for postal ballots agreed at the 1982 Wembley conference.

Mr Hammond, proposing the review of the Wembley policy, gave a warning that the outside world would see suspension as "partial and divisive". His review would give the TUC a chance to remain together, he said.

"A rigid discipline and strict adherence to the rules would inevitably destroy the movement. I cannot believe this

Labour Government and pledges support for the Wembley policy. Mr Ron Todd, general secretary of the Transport and General Workers' Union insisted that unions must not deliberately flout congress policies.

Some moderate members of the TUC general council were making clear their view last night that the AUEW would have to shift its position if suspension was to be avoided.

Mr Hammond opened a second front of defiance against the TUC when he rejected a rule change on single-union agreements (Barrie Clement writes).

Delegates overwhelmingly passed a motion critical of the kind of deals struck by the EETPU.

Mr Hammond, its general secretary, said of the decision: "It doesn't affect us one bit. We might be freer to decide next week."

The EETPU has threatened to walk out of congress if the Amalgamated Union of Engin-

Government shuffle highlights the fight for jobs

Continued from page 1

servative mould. But many Conservatives hope that Mr Tebbit's unique pugnacity will rouse the party for the fight on two fronts against Labour and the Alliance.

Mr John Gummer, party chairman since the election, takes Mr Macgregor's place at Agriculture. He had hopes of a place in the Cabinet. Instead, he received an exceptionally warm letter from the Prime Minister yesterday, and becomes a Privy Councillor.

Other appointments were: Mr Richard Luce, from Minister of State at the Foreign Office, to be Minister for the Arts in Lord Gowrie's place, but outside the Cabinet.

Mr Ian Gow, another of Mrs Thatcher's proteges, from Minister for Housing to Minister of State at the Treasury.

Several other ministers of state and parliament secretaries make sideways moves to new departments.

Two MPs join the Government for the first time, as Mrs Angela Rumbold and Mr Michael Howard.

Other changes will be announced during the week. The net impact of yesterday's changes would appear to be a strengthening of the main economic departments.

Mr MacGregor, now plunged into the public expenditure survey, may prove the ideal Chief Secretary. He is tough, but a personal warmth may

equip him to deal with profligate spending ministers.

Mr Brittan with a background in the Treasury, has proved efficient and energetic in several posts.

Mr Baker at Environment, faces the most daunting legislative task. He will have to make good the Prime Minister's decision to reform the structure of local government finance.

Politically the Cabinet's balance has been tilted back towards the Conservative centre. Although Mrs Thatcher has brought forward two of her own men in Mr Tebbit and Lord Young, she has allowed two other firm supporters to depart in Mr Jenkin and Mr Rees.

Three of those promoted, Mr Hurd, Mr MacGregor and Mr Baker, have had exceptionally close links with Mr Edward Heath.

The Prime Minister said last night this would be the last major reshuffle before the next general election.

She said the reshuffle was "to make it quite clear we are putting great emphasis on enterprise and employment. The two are connected and I hope we have made that abundantly clear."

Mrs Thatcher said she was "very anxious" Mr Brittan should take over the Department of Trade and Industry and denied that he had been demoted.

Ulster reaction, page 2

Musical chairs to dead march, says Kinnock

Mrs Thatcher's reshuffle was fiercely attacked by opposition leaders last night, particularly the appointment of Lord Young, as a peer, to the key job of Secretary of State for Employment.

Mr Neil Kinnock, said: "This is a game of musical chairs to the sound of the dead march. If the Prime Minister was really serious, she would have sacked the Chancellor of the Exchequer.

"Her attitude towards unemployment is best shown by her decision to have a Secretary of State for Employment who

doesn't even have to face the House of Commons."

Mr David Steel, the Liberal leader, said: "The Cabinet has been shaken about a bit, but it is the same old jar of jellybeans. The result may look different, but the flavour remains the same.

"Until Mrs Thatcher retires to Dulwich and takes her policies of unemployment and division with her, there is no real hope of recovery for the Conservative Party. What Britain needs is the vigour of new leadership, not Mrs Thatcher and her three stooges, Lawson, Brittan and Howe."