

Netanyahu edges closer to forming government

Israeli Prime Minister-designate Benjamin Netanyahu's Likud Party has reached a provisional deal with the Labour Party to form a coalition government – but Labour remains deeply divided over the issue

If talks with Labour, led by **Ehud Barak**, fail, Netanyahu could be left with option of forming narrow right-wing coalition with hard-line parties such as Torah Judaism, National Union, and Jewish Home

Coalition agreement with Labour would give Netanyahu 66 of Knesset's 120 seats

