PRIME MINISTER

MAIN EVENTS

. 1

Prime Minister meets Mr Shrontz, President of Boeing Plater, Mr Bessmertnykh, Soviet Deputy Minister (photocall)

Mr Nakasone visits President Reagan

Association of University Teachers Womens Conference, Aston University, Birmingham

Chief Inspector of Prisons report on Barlinnie published

Blood products Laboratory opened by Duchess of Gloucester, Exeter

TSRB report on Parliamentary secretarial allowances

STATISTICS

CLSB: Quartely house purchase finance statistics (1st qtr)

DOE: Construction - new orders

DOE: Bricks and cement production and deliveries (1st qtr prov)

DTI: Retail Sales (Mar - prov)

DTp: New vehicle registrations (Mar)

PARLIAMENT

Commons

Questions: Trade and Industry; Environment; Scotland

Business: 10 Minute Rule Bill: Directly Elected Neighbourhood

Councils (Mr David Alton)

Consideration in Committee of the Finance Bill

At the end of the day, motions on Value Added Tax Orders.

Details will be given in the official report

Adjournment Debate: Government policy towards the promotion and purchase of British made goods (Mr K Carlisle)

Select Committees: ENERGY

Subject: Energy Efficiency Year Witness: Rt Hon Peter Walker, MP The Secretary of State for Energy

PARLIAMENT (Cont'd) Select Committees (Cont'd)

SOCIAL SERVICES

Subject: Problems associated with AIDS

Witness: Board of Social Responsibility of the Church of England: Royal College of Obstetricians and

Gynaecologists

FOREIGN AFFAIRS

Subject: FCO/ODA Supply Estimates 1987/88 Witness: Overseas Development Administration

JOINT COMMITTEE PRIVATE BILL PROCEDURES
Witnesses: British Retailers' Association;
Confederation of British Industry; Co-operative Union
Limited; London Chamber of Commerce; National Chamber
of Trade

Lords: Debate on the Green Paper "Trade Unions and their Powers"

Agricultural Training Board Bill: Second Reading AIDS (Control)

Bill: Second Reading UQ on the future of Hampstead Heath

MINISTERS - See Annex

PRESS DIGEST

MAIN NEWS

- Media tries to use Jim Callaghan to get an inquiry into Wright's MI5 allegations; Harold Wilson distances himself from the idea of an inquiry now and says any plot would have been daft. You reject an inquiry.
- Court to hear contempt hearings against newspapers today.
- <u>Guardian</u> says you have told Callaghan privately that if he asked for an inquiry you would set one up.
- Double joy for Maggie CBI's trends survey and 0.5% fall in interest rates.
- Daily News says its set fair for a June election and even claims that mortgage rates will fall by June. Sun records a 9 point lead for Conservatives in telephone poll 41/32/Alliance 24.
- Labour Party Executive discusses black sections today; will Sharon Atkin be expelled? Star says this gives Kinnock the chance to prove whether he is a man or a mouse, a future Prime Minister or a puny prattler. Sun says Kinnock is planning to ditch Deirdre Wood to the anger of Left.

MAIN NEWS (Cont'd)

- Roads White Paper gets a lot of coverage - and "miles of misery" for drivers are predicted as repairs get under way.

- Labour claims Rolls-Royce is being sold off for a song.
- Littlewoods stores announce plans for new stores which will create 1000 jobs.
- Post Office workers urged to accept 5.1%.
- <u>Sun</u> says Certificate Officers report shows that 2.5m have left unions since you came to office.
- Kenneth Baker describes teaching unions' request for a meeting with you as "a stunt".
- Government has called for a report from Sports Council on use of drugs in snooker.
- IRA kill "second in command of UVF".

- Edwina Currie alleged to have used barrack room language to surgeon in row after TV show.

Jayewardene expresses dismay that you and Reagan are not supporting him in war againstTamil rebels.

- Royal: Star continues Penny Junor's account of Prince Charles with evidence of Duke of Edinburgh's tough attitude towards him.
- Wright appeal hearing in Australia fixed for July 27.
- Italian election fixed for June 14.

MI5

Sun says maybe there was some dark plot to overthrow the Wilson Government but before we take it too seriously we might recognise some pretty strange oddballs are crawling out of the woodwork like Wright and Cecil King. "He spent 17 years as head of Daily Mirror organisation"; it adds "Anyone in charge of that lot will never be quite normal".

- Mirror: Thatcher No 10 Spy Probe. Cecil King's widow says he was not an MI5 agent.
- Today P1: Arise Sir Jim, and for God's sake say something. He should tell the nation all he knows about the dirty tricks of the secret service. Newspiece says Callaghan's behaviour has puzzled MPs because he called for an inquiry a month ago and has been silent since. Roy Jenkins said to be preparing to make a statement at the appropriate time. Campbell-Savours ready to expose another plotter under cloak of Parliamentary privilege.
- Christopher Monckton feature in <u>Today</u> says Britain was once a free country but now in one important respect it is one of the least free in the West as evidenced from the Attorney's contempt proceedings. Government should drop all its actions against the news media.
- Express feature makes the point that all these allegations happened 5 years before you went to Downing Street. There is no special reason why they should be inquired into and if you are wise you will resist to the end the idea that politicians, of all people, should oversee the security service. That would help no one but our enemies.
- Mail leads with exclusive interview with Harold Wilson who suggested the reason for the MI5 freelance operation they thought they ran the whole show under the Queen and believed the Labour Party was a bunch of lunatics and that a huge proportion of the Commons was either subversive or ignorant. Thinks there is the case for an inquiry when the furore has died down.
- <u>Telegraph</u>: 'MI5 plot' inquiry rejected; leader says we are talking of sedition with first hand evidence and criminal misdeeds are not wiped clean whenever a Government changes. You should do what a true democrat has to do.
- <u>Times</u> P1 lead says you say no to MI5 plot inquiry despite mounting pressure. Callaghan contacts No 10 but doesn't speak to you. Lord Wilson declines to associate himself with calls for inquiry.
- <u>Times</u>: Lord Cudlipp dismisses allegations made about Cecil King.
- <u>Times</u>: Secret memo from Cudlipp to King quotes proposal by Lord Mountbatten to establish emergency government in 1968.
- Times leader says no sensible course for Government but to end its legal action against publication of Wright memoirs. Says Wright was wrong to break secrecy pledge but you have to recognise need to clear the air. Motto now should be: publish and be saved.

MI5 (Cont'd)

- Callaghan contacts you for talks on the terms of the MI5 inquiry set up in 1977 into allegations that Wilson's office was bugged. Anthony Bevins piece names B. Ingham and says that he briefed lobby reporters, non-attributably, that the 1977 inquiry had covered all allegations [not true]. Independent interprets this as implying that it covered allegations of a more deep-rooted plot.
- Independent leader says your argument that you have no ministerial responsibility for events which took place 13 years ago is an impeccable argument on a narrow legalistic interpretation of the constitutional position. But as Prime Minister your statements on security have dealt with a period before you held ministerial responsibility. It calls for Sir James Callaghan, in the absence of any further evidence, to add weight to calls for an inquiry.
- Tony Benn said that it was "really a matter of great public concern whether MI5 had this man the Bank, and running the Daily Mirror and engaged at the same time in the conspiracy against an elected Government" (Independent).

"HIDDEN" TORY MANIFESTO

- Morning Star predictably devotes the whole of its front page to "Tories secret plans exposed".
- Star P8: Hidden shocks if Maggie wins again, claim Labour.
- Sun: Few lines about you accusing Kinnock of "smears and scares".
- Mirror P2: Tory 'plot' to clobber poor. Up will go food and rents.
- Today leader on "the real price of Thatcher" says Labour has built up an entirely plausible hidden Tory manifesto. Everything Labour predicts fits closely with Tory philosophy. News story P 12 Maggie's £30 grab.
- Express P1: Sham Tory manifesto row. Kinnock branded Dirty Harry as Labour resorted to foul play. Britain facing one of the dirtiest elections of all time; leader says Tory anger over Labour's little dirty trick is understandable, but it wonders whether you are not secretly delighted. Isn't it just a sign of how desperate Kinnock has become.
- Mail P9: Labour's bogus manifesto a "dirty deceit".
- Telegraph: Tebbit slams Labour over "Tory manifesto"
- Guardian P1: VAT is chink in Thatcher's armour.
- <u>Times</u>: Norman Tebbit denounces spoof manifesto saying its a "rag-bag of deceits and smears".
- Labour allegations that Conservatives concealing a right-wing "hidden manifesto" and counter-accuations by you of Labour "smears and scares" were clear signs that the country is heading for a dirty election campaign.
- Conservative backbenchers said after a meeting with you that they were convinced you would call the general election on June 11.

POLITICS

- Daily News feature on the "moulding of Bernie Grant" the Labour radical "who is determined to come in from the cold".
- Times: Robin Oakley writes/cleaning up is all the rage in Liverpool with approach of the city's most crucial council elections in years.
- <u>Times</u>: James Prior lends name to new campaign for proportional representation.
- Tessa Blackstone in <u>Times</u> describes how Kinnock should run No 10, and, surprise, surprise, wants CPRS resuscitated.

ECONOMY

- <u>Daily News</u> leads with June election prediciton after good news of yesterday CBI trends, interest rate fall.
- Express: Firms booming as interest rates fall; leader says all that industry wants now is an end to uncertainty about who is to govern us.
- Mail: Bank rate cut good news for firms and homes.
- <u>Telegraph</u> leads with base rate cut and hope of a further fall; industry's highest upturn for 10 years.
- Guardian: Economy buoys June poll hopes.

ECONOMY (Cont'd)

- <u>Times</u>: Banks cut base rate to single figures for first time for $\frac{2\frac{1}{2}}{2}$ years. CBI welcome reduction but want to see another soon. Share prices rise strongly leader welcomes cuts.
- <u>FT</u>: Leader says the one real difficulty is to relate this sunny picture to an outside world of currency crisis, trade disputes and disappointing forecasts.
- <u>FT</u>: Chancellor's decision to take part in Finance Bill Committee debate will be seen as an election campaign platform on tax cuts and the economy.
- <u>Independent</u>: Lunchtime today the Unemployed People's Alliance will be picketing the headquarters of Hands Across Britain. No-one knows why.

INDUSTRY

- Neddy report says Britain has neglected its management stock and our managers are amateurs compared with those in USA, West Germany, France and Japan.
- <u>Times</u>: Rivalry between B/Caledonian and BA flares up as Government make B/Caledonian official "flag" carrier on Seoul route.
- Times: Honda to build £100m engine plant at Swindon.
- Times: Banks expected to join companies such as ICI, IBM, Rolls Royce, Shell and BP in sponsoring new national centre for technological forecasting.
- FT; BP poised to gain full ownership of Standard Oil.
- FT: Caterpillar rescue project at Uddingston now looking uncertain.
- $\underline{\text{FT}}$: Plessey Semiconductors expects to create more than 1,000 jobs over next five years.
- FT: ICA surges to £334m pre-tax profits in first quarter.

UNIONS

- <u>Times</u>: Civil Service Unions urges thousands of members to take industrial action if Government attempts to implement a "hit list" of Whitehall jobs it wants to privatise.
- FT: SCPS and CPSA split over tactics on industrial action.
- <u>Independent</u>: Peter Jenkins' article on an unjust attack on trade unionism, says it seems superfluous. r the Government to contemplate a fourth trade union bill when unions have effectively made an exit from the national stage.

HEALTH

- <u>Times</u>: 500 women in Mersey region had to be traced urgently after flaws discovered in cervical cancer smear test result.
- Aids-free blood will be produced in a new £55m laboratory opening today in Elstree. Substantial saving to the NHS from being self-sufficient in blood products (Independent).
- <u>Independent</u>: Pharmacy services in hospitals on point of breakdown because pharmacists leaving for better paid jobs in private sector.

MEDIA

- IBA allows condom adverts but only after 9pm and they must be restrained.
- Programme in BBC "Secret Society" series on how governments manipulate elections to be shown in Commons tonight.
- <u>FT</u>: Michael Grade warns that Obscene Publications Bill would affect every branch of artistic expression in the UK.
- <u>Independent</u>: BBC apologises to chemical waste firm for giving a false impression of the company and of health hazards to the public.

EDUCATION

- Express says it comes as little surprise that parents are sending children to independent schools in record numbers. In the private sector, it seems, pupils come first. They are also free of Whitehall interference but they are not free of the need to perform well or risk losing pupils.
- Times: HMI call for radical changes in way teachers are trained.
- FT: Private schools increase intake by record 2.2%, according to survey by Independent Schools Information Service.
- Fresh series of half-day strikes affected schools in Nottingham, Manchester and Redbridge in London yesterday as teachers renewed campaign (Independent).

LAW AND ORDER

- Star says Home Secretary has decided that life sentences for the most serious crimes really should mean life.
- Times: Home Office finalising negotiations with Sealink to use ship to house up to 300 suspected illegal immigrants.

NORTHERN IRELAND

- Sun leader says Sinn Fein are simply a front for the IRA; isn't it fantastic we allow this evil to fester in our midst? We should ban it and put Adams and his gang on trial or deport them to Dublin.
- <u>Independent</u>: Security chiefs in Ulster were poised yesterday to fend off calls for more troops. MoD sources revealed that no request for additional troops had been approved. The army is keen to reduce its presence in Ulster.

WALDHEIM

- Robert Rhodes James MP wants Government to ban visit to UK by Waldheim
- Austrian coalition closes ranks behind President.
- Today says that FCO, in saying he would be received with courtesy, adopts a typically flabby attitude. Why can't it for once be just as robust as Americans in name of freedom?

EC

- Telegraph leader says not the least of your achievements in the EC has been the assertion of the interests of the consumer.
- FT: Trevi group agrees tough package of joint measures to fight illegal immigration.
- FT: EC-wide directive outlawing insider-dealing proposed by 1992 at at latest.

JAPAN

Times: Frosty reception awaits Mr Nakasone in US.

ARMS CONTROL

- <u>Times</u>: Soviets request that West Germany's shorter-range missiles be included in East-West arms deal mah delay accord.
- FT: Western Europe refuses to be rushed into hasty response.
- Independent: Soviet Union said it would insist on inclusion of the 72
 West German Pershing missiles in any super-power deal on shorter-range weapons in Europe. This move is certain to fuel European anxieties over the proposed pact on intermediate-range nuclear forces.

SOVIET UNION

- New "law on individual labour activities" takes effect from 1 May in Soviet Union. Allows family businesses to be set up in 29 different fields.

TERRY WAITE

- <u>Independent</u>: 100 days on and Terry Waite is still missing. His mother remains convinced he will return.

SOUTH AFRICA

- Anti-apartheid forces won court battle in their legal campaign to overturn the swingeing restrictions on political protest recently imposed by the South African Government.

MINISTERS (UK VISITS, SPEECHES, ETC)

- DEM: Lord Young attends NEDO "People-the key to success" Conference, London
- DEM: Mr Clarke speaks at Small Business Bureau Conference, The Spirit of Enterprise, Surrey; later attends Electrical Engineering Association dinner
- DEN: Mr Walker addresses Energy Select Committee on Energy Efficiency Year
- DES: Mr Baker addresses 'A' level Politics Conference, Central Hall, later meets with NAHT about Primary Education with Mrs Rumbold
- DTp: Mr Moore inaugurates the start of work on the Newcastle Western Bypass
- FCO: Sir Geoffrey Howe addresses The Lord Mayor's Banquet, London
- HO: Mr Hurd meets Indian Minister for External Affairs, Mr N Singh,
- DEN: Mr Goodlad visits Dounreay
- DES: Mr Walden attends National Economic Development Council conference
- DES: Mrs Rumbold and Mr Walden hold drinks for education correspondents; Mrs Rumbold also talks to US and European journalists, London
- DHSS: Mrs Currie speaks at City Liaison Group of Whitbreads Brewery, London; later speaks at the Institute of Psychiatry Lecture on drinking sensibly, London
- DTI: Mr Shaw visits Wolverhampton, later attends success of Jobs Conference, London
- DTI: Mr Pattie attends Emperor of Japan birthday celebrations, London
- DTp: Lord Brabazon visits the Borough of Boston, Lincs
- DTp: Mr Mitchell addresses the Traffic Commissioners Conference Dinner RAF Club, London
- HO: Lord Caithness visits Wormwood Scrubs prison, London
- MAFF: Mr Thompson attends South West Regional Panel Dinner, Bristol
- OAL: Mr Luce speaks at National Campaign for the Arts debate
- WO: Mr Robinson attends Newport Borough Council lunch presentation, London

TV AND RADIO

Party Political Broadcast by the Labour Party: BBC 1 (21.00); BBC 2 (22.50); ITV (22.00); BBC Radio 4 (13.35)

"The Making of Britain"; Channel 4 (18.30): The Victorian State-order or Liberty?: Dr Vic Gatnell looks at the nineteenth-century origins of today's 'Law and Order' debates to explain why the State has grown so powerful over the last two hundred years

"Victorian Values"; ITV (19.00): Law and Order: Third of Bamber Gascoigne's series visits one of the early 'model prisons', Strangeways in Manchester, and also explains how our modern unarmed police force was founded in Victorian England

"Diverse Reports"; Channel 4 (20.30): Sebastian Coe argues that keeping politics out of sport has resulted in Britain lagging far behind our competitors in funding

"Secret Society"; BBC 2 (22.20): In Time of Crisis: Second of four series by Duncan Campbell looks at what happens to Britain in a time of crisis or war. He reveals what's in the draft Emergency Powers Bill and asks why Britain, unlike most of its NATO allies, keeps the plans confidential when it is the British people who will be most affected

"Their Lordships' House; Channel 4 (12.20 pm)