PRIME MINISTER

MAIN EVENTS

Prime Minister sees Dr Habibie, Indonesian Minister for Research and Technology

The Queen and the Duke of Edinburgh in Scotland

Prime Minister meets Association of American Correspondents

Prime Minister meets American blind and deaf children

Finance Bill published

STATISTICS

DTI: Engineering indices of production (Apr) and sales and orders (Mar)

PUBLICATIONS

DTI: British Business

PARLIAMENT

Commons

Business: Debate on Tourism, on a Motion for the Adjournment

Adjournment Debate: Arrangements for voting by post and by proxy at a General Election (Sir G Young)

MINISTERS - See Annex

PRESS DIGEST

MAIN NEWS

Ted Heath attacks your "reactionary, regressive policies" but you get support from Owen.

Tory MPs to rebel on pay curb and that you are furious about possibility of them voting for a 20% increase.

You tell Ministers to go out and sell community charge.

Roy Jenkins publicly stabs Owen over Alliance merger.

Moors murder case features in most papers with Brady offering to help police following discovery of further body.

Fury over doctors' secret check-ups for AIDS.

More support for you over your stand at European Council.

US and Russians may unite to halt Iran.

Unionists call for devolution.

Government helps holidaymakers caught up in passport office strike.

Rod Tyler's book, to be published on 13 July, will reveal Tory election shambles.

Prince Charles may get together with Government over his inner city campaign.

BAe £1bn deal could mean 7,000 more jobs.

Scargill's "pick and shovel" attitude could risk 8,000 jobs.

Paul Hamlyn to give £100m to charity after Reed International takeover of his Octopus company.

Nearly one million American and Canadian tourists stayed away from Britain last year for fear of Chernobyl nuclear fall-out.

Branson takes off in hot-air balloon for Atlantic record bid.

POLITICS

Ted Heath attacks your policies calling for devolution for Scotland and Wales and says you should reconsider community charge plan.

<u>Mail</u>: Heath attacks you for adopting reactionary, regressive policies, adding "we are not prepared to have them".

Today: "Heath turns his guns on Thatcher's plans" and Chris Buckland says Tory rebels are stretching their wings to dive-bomb you and your 13 year old ambition to rid the nation of its rating system.

<u>Sun:</u> Owen defends you against Heath, praising your election winning package but saying he would never join Tory Party.

<u>Guardian</u>: About 20 Conservative MPs walk out of the Commons as Heath asks Government to reconsider its plans to introduce a poll tax.

<u>Independent</u>: Heath attacks community charge and rejects Government's radical package of reforms on education and warns that schools would be able to charge fees.

Express: Backbenchers against community charge and you are facing one of your most serious revolts.

Express: Owen publicly knifed as Jenkins launches campaign for merger with Liberals.

<u>Independent</u>: Kinnock stands firm on nuclear disarmament in spite of view that the policy contributed to Labour's election defeat.

<u>Guardian</u>: Lord Alport says we have now in power not a Conservative Government but a radical government.

Chris Buckland in <u>Today</u> has extract from Rodney Tyler's book, to be published on 13 July, which reveals the Tory election shambles and how you and Norman Tebbit squared up for a blazing row in run-up to General Election. The exposure of the battles in Downing Street and Central Office will spark off major inquiry to discover Tyler's sources. Four Ministers and more than a dozen insiders cited as "deep throat".

Express leader says Chancellor was right to act on Neddy.

<u>Independent</u>: Labour is to conduct intensive studies of voters with the aim of developing a body of complete new policies aimed at the nineties.

Telegraph: Labour's new intake of Left-wing MPs backs away from any immediate challenge for places in Kinnock's Shadow Cabinet.

<u>Telegraph</u> leader says Neddy in its present form had outlived its usefulness but by consigning the organisation to a backwater, the Government is again demonstrating its less than wholehearted belief in industrial consultation and economic dialogue.

<u>Telegraph</u>: You have ordered a summer offensive by Ministers to sell the rates reform package to the public amid mounting concern among Conservative MPs.

<u>Times</u>: Feature by political editor, Robin Oakley, concludes that you, Mr Ridley and Mr Rifkind support poll tax proposals, but if a Cabinet vote were to be taken they would not get through.

<u>Times</u>: Owen tells MPs your majority of 101 was a far greater triumph than the 144 won in 1983.

<u>Times</u>: Roy Jenkins says he would not "flounce" out of the SDP if it rejected a merger with the Liberals.

FT: Owen adopts role as Government's friendly critic.

LAW AND ORDER

Most papers report finding of further child's body on Saddleworth Moor. Brady says he'll go back to Moor to help police find last grave. Mirror devotes six pages to the Moors Murder case with a "world exclusive". Geoffrey Dickens MP plans to pass new information to police about a third Moors murder. Most of the tabloids carry feature stories.

Commenting on Metropolitan Police Commissioner's report, <u>Star</u> leader asks "when are the streets going to be really safe?"

Guardian: Hurd hint of extra cash for hard-press police.

INSIDER DEALING/COLLIER

FT: Leader says one seldom hears the argument made in court that petty thieves have suffered enough and have no career prospects... It is regrettable that Collier's sentence has reinforced the impression that white collar crime is more lightly punished.

WRIGHT CASE

<u>Guardian</u>: Court of Appeal ask for further briefing before giving judgement on the Peter Wright book case.

INNER CITIES

Lord Young talks about inner cities in Express feature saying people and wealth must be brought back.

<u>Sun</u>: Prince Charles plans more flying visits in big inner city crusade.

<u>Independent</u>: Inner city task forces get black leaders reflecting the new image is anxious to give the task forces in the face of criticism of ineffectiveness.

<u>Times</u>: Prince Charles has decided to assume the role of roving ambassador for the inner cities. It is recognised both by Whitehall and Buckingham Palace that there is merit in his focusing attention on urban blight without the controversy that would normally attend a ministerial tour.

NORTH/SOUTH

Times: Regional Trends reveals households in South East had an average weekly income £50 higher than those in North in 1984 and 1985. Unemployment in North is partly explained by failure of small businesses to develop there. London tops league of hospital waiting lists.

LOCAL GOVERNMENT

<u>Daily News</u>: Westminster Council Tories face £1.5m surcharge and disqualification for failing to charge businesses for collecting rubbish in 1895.

EC

George Gale, in <u>Mail</u>, explains why Europe needs "...housewife Maggie" saying your realism strips bare the petty Napoleans.

<u>Star</u> leader says you were absolutely spot on in vetoing the Common Market's latest spend-thrift budget. Message to Europe must be plain. "You've conned us out of our cash for far too long. The party's over."

EC Finance Ministers locked in battle over plan to bail out Europe's bankrupt budget.

Independent: Summit budget deal starts to come to pieces at
meeting of finance ministers lending support to your argument that
the Community cannot be trusted to carry though its budgetary
promises.

<u>FT</u>: European Commission officials are threatening direct legal action on a case-by-case basis against Community-wide mergers likely to distort competition.

HEALTH

<u>Mail</u>: Storm of protest after doctors decide they have right to give secret blood tests to patients suspected of carrying AIDS virus. Daily News leader supports decision.

<u>Today</u>: Nurses being taught to use martial arts skills against violent patients.

Ian Kennedy, professor of medical law and ethics, and Simon Ree, lecturer in law, discusses in $\underline{\text{Daily News}}$ embryo research and calls for a new medical ethics watchdog.

<u>Guardian</u>: DHSS say doctors might be committing an assault if they take patients' blood for secret AIDS test. It might also drive AIDS underground.

<u>Guardian</u>: Mrs Currie says the poor, through health education, had to learn to take control of their lives and prevent unnecessary deaths.

Labour MP says there is a link between health and unemployment.

CHILD ABUSE

<u>Sun</u> leads on how you comforted a child sex-abuse victim at Childline reception in No 10.

Government to draw up new guidelines governing way doctors diagnose children for sexual abuse.

INDUSTRY

<u>Telegraph</u>: Japanese electronics plant in Cumbernauld will create 340 jobs.

Telegraph: BAe's £1bn deal with Australia expected to create 7,000 new jobs.

1,768 Bedford van workers given ultimatum "work like Japanese" or lose jobs - Telegraph.

<u>Mail</u> leader attacks Scargill for risking 8,000 jobs in coal industry. Without him the industry could be productive and profitable.

<u>Sun:</u> Sir Bob Haslam accuses Scargill of living in the pick and shovel era.

<u>Times</u>: Tourism minister, John Lee, says he will make unofficial and private visits to British holiday resorts and publicise their shortcomings.

FT: Vauxhall lost £61.7m in last year and blames strength of Deutchemark.

FT: Mick McGahey backs British Coal plans for flexible shifts.

<u>Times</u>: Whitehall and City fall out over BAA price, with estimates now differing by as much as 40p or 50p.

EDUCATION

Today: Government facing mounting pressure from own backbenches to allow private schools to "opt-in-" to state education system.

Telegraph: Warwickshire's Labour-led LEA abandons plans to scrap 5 grammar schools, including that attended by Shakespeare.

<u>Times</u>: NUT lost more than 24,000 paid up members last year, a drop of nearly 11%.

<u>Telegraph</u>: Classroom peace may be near after teachers' leaders have hopeful meeting with Kenneth Baker.

MEDIA

Express to halve 4,600 work force in next 18 months with introduction of new technology.

Central TV axe Crossroads after 23 years.

<u>Times</u>: Lonrho would have closed 'Today' on June 30 if it had not been sold to News International.

PEOPLE

<u>Daily News</u> reports you having tea with Neil Scott who describes you as such a strong woman.

Mrs Elizabeth Esteve-Coll becomes first woman director of Victoria and Albert Museum. She's been chief librarian of the Museum's National Art Libray for last 2 years.

NORTHERN IRELAND

Ulster Unionist leaders being urged to start talks with Government in a bid to find replacement for the Anglo-Irish Agreement.

<u>Guardian</u> leader says that if Unionists are prepared to read the Anglo-Irish Agreement again they will probably find much to their surprise - that it is the best option.

<u>Independent</u>: Not a single Unionist politician advocates accepting the Anglo/Irish Agreement, but British and Irish governments have demonstrated that the accord can operate tolerably well without Unionist consent.

EAST/WEST

<u>Telegraph</u>: Russia dismisses reports that a superpower agreement, culminating in a meeting between foreign ministers is imminent.

<u>Times</u>: Prospects for Reagan/Gorbachev Summit recede as Kremlin announces that Shevardnadze will not be flying to Washington for talks with Shultz.

<u>Times</u>: Leak of Russian proposal to give up 100 warheads in return for Washington's undertaking not to convert Pershing II into other weapons rather than eliminating them, annoys Moscow.

MIDDLE EAST

<u>Times</u>: Iranian Foreign Minister says Terry Waite is not being held in Iran.

Times: Jordan showers honours on visiting Dr Waldheim.

. MINISTERS (UK VISITS, SPEECHES ETC)

DHSS: Mr Moore visits Bristol

DOE: Mr Ridley visits Trafford Urban Development Corporation

DTI: Lord Young receives courtesy call from Dr Habibe, Indonesian Minister of Research and Technology

HO: Mr Hurd visits Lincolnshire Police

DHSS: Lord Skelmersdale addresses St John's amoulance brigade foundation conference, Westminster and later attends reception, Somerset House

HO: Lord Caithness visits Swansea Prison

MAFF: Mr Thompson addresses Eastbourne Business and Professional Club

MAFF: Mr Gummer visits Lancashire College of Agriculture, Preston

WO: Mr Grist attends Baptist World Alliance lunch, Caraiff

TV AND RADIO

Education Secretary, Mr Baker interviewed for "A Week in Politics", Channel 4, about Grant Maintained Schools, to be broadcast at 8.15-9.00 pm

"The Local Network"; BBC Radio 4 (16.05): A link-up with local radio stations to discover how various areas are coping with the deregulisation of the buses

"The Education Programme"; BBC 2 (20.00): Sarah Kennedy looks at the world of education

"What the Papers Say"; Channel 4 (20.00): Hugo Young of the Guardian takes a critical look at the week's papers

"News at Ten:; ITV (22.00): 20th anniversary edition

"Any Questions?"; BBC Radio 4 (20.20): The panel includes the Rt Hon David Steel MP, David Mellor MP, Joe Mills, Northern Region Secretary to the Transport and General Workers' Union, and Ann Leslie of the Daily Mail