PRIME MINISTER

MAIN EVENTS

Prime Minister meets the King of Morocco (at Victoria Station); later meets Prime Minister Premadasa of Sri Lanka (photocall)

State visit of King Hassan of Morocco (to 17 July)

Alvey Conference and Exhibition at UMIST, Manchester (to 16 July)

STATISTICS

CSO: Index of output of the production industries (May)

CPCS: Livebirths, stillbirths and deaths: Registrations, March 1987

PUBLICATIONS

DES: HMI Report on Stanley Grange School, Huntingdon

DES: HMI Report on Chippingham Technical College, Wiltshire

DES: HMI Report on non-advanced further education, ILEA

DES: HMI Report on Barnham Primary School, London Borough of Brent

HO: Annual report of Her Majesty's Chief Inspector of Fire Services

1986

Health Service Commissioner's Annual Report, session 1987/88 HSC:

MOD/PSA: Control and Management of the Trident programme

PARLIAMENT

Commons

Questions: Defence; Employment; Prime Minister

Business: Consideration in Committee of the Finance Bill

> Motion on the Licensing (Northern Ireland) Order followed by Motion on the Registration of Clubs (Northern Ireland) Order

Adjournment Debate: Urban renewal in the Charles, Turnville and London housing action areas in Birmingham (Mr J Rooker)

Lords: Criminal Justice Bill: Second Reading

Electricity Supply (Amendment) (Northern Ireland) Order 1987: Motion for Approval

MINISTERS - See Annex

PRESS DIGEST

MAIN NEWS

Press dominated by six issues:

£10-£20m robbery from safe deposit centre in Knightsbridge.

Kinnock's new Shadow Cabinet - an untidy affair with Left dismayed.

Publication of Peter Wright's book in America - not much coverage in pops.

Lords ruling that 26 accused following Heysel Stadium can be extradited; Home Secretary now to decide.

Woman judge appointed to lead Cleveland child sex abuse inquiry - six more children "cleared" of being abused. Mail says choice of woman is tactful and wise.

Government close to a decision to phase in poll tax over three years.

SHADOW CABINET

<u>Star</u>; Kinnock's snub for "keep the bomb" bid - he has turned down approaches from Bill Jordan (AEU) and Eric Hammond, EETPU.

<u>Sun</u>: Left in the shadows. Kinnock snubs loony pals for top jobs. Hattersley a fading star. But Kinnock ends up with egg on his face - no one seems prepared to Shadow Wales.

<u>Mirror</u>; Kinnock team sparks Prescott fury - he alleges "underhand deals with Right"; leader says that in the main Kinnock has put the right men in the right places, though Kaufman, as a Jew, will run into trouble with Arabs. But new faces in the Shadow Cabinet are only the start. It's new ideas which are wanted. The same policies next time will produce the same results as last time.

Daily News: Kinnock's prize jobs for right wingers dismay Left.

<u>Today</u>; Kinnock's team sparks Left anger - Meacher also unhappy with move to Employment.

Express: Gould and Smith jockey for Labour deputy's slot - Hattersley fading fast; leader says one good thing about Kaufman's

appointment is that it makes slightly more sense than giving it to Prescott. But on past form, we can expect Kaufman to take everyone's side but Britain's.

<u>Times</u>: Kinnock completes Shadow Cabinet amid disquiet among some of Party's dominant far and centre Left. Prescott voices concern at Tribune Group.

Geoffrey Smith, in <u>Times</u>, says Kinnock has taken little notice of last week's voting. Important for Labour that Kinnock should be in position to give strong lead and change nature of appeal if it is ever to govern.

Times leader says these Shadows will have no power over people's lives. They represent a party beaten three times in a row by the same woman. Yet over next 4 or 5 years they must convince voters that they are as important as the Tories doing real jobs which they are shadowing.

Mail: Kinnock walks into a Left and a Right - fiercely attacked by members of his new Shadow Cabinet as they accused him of giving too much power to Right wingers. He ends with the worst of all worlds. Leader headed "Boxing clever with Shadows" says Kinnock has dispensed his patronage shrewdly. It would be the arrogance of power for Government to underestimate Shadows. They are in many ways the acceptable face of a Socialism which has lost its relevance. Taking on the Tories would seem to be the least of their problems.

<u>Telegraph</u>: Kinnock unveils his reshuffled Shadow team, having finally worn down resistance from soft Left allies who had expected better jobs; leader says he has allocated posts to satisfy expense, giving his team a right wing slant untypical of the new breed of democratic socialism.

Guardian says Kinnock faced only background rumblings of Left wing discontent over Shadow Cabinet choice; leader says Kinnock has preferred to give offence to Left rather than Right, but there is very little daring or imagination in appointments. They suggest Kinnock wants change but that he doesn't know what sort.

<u>Independent</u>: Labour front bench team closes ranks; leader says it will be far more difficult to change the Labour Party's policies than it has been to change the methods by which they are marketed. New policies will require approval by more than a cabal centred on the leader.

In a <u>Times</u> feature explaining Labour Left's choices after electoral defeat, Fabian philosophy group member Alan Ryan says elections are won on bread and butter, not morality. The 87%

working have seen standards rising faster than in '70s and that there are more home owners and share owners. There simply isn't a market for even the diluted socialism offered by such nice people as Gould and Hattersley. The non-Conservative vote will be captured by whichever party can most plausibly present itself as capable of reconciling social justice and economic efficiency.

Meanwhile, Labour Party seeking to save £600,000 by ending publication of two magazines and making 40 redundant.

MPs' PAY

Star says its readers voted against a 20% pay increase for MPs by 6,108 to 70 - this shows you have got your finger firmly on the public pulse and Anthony Beaumont-Dark MP agrees with Star readers; leader says a month ago politicians were stomping the land lecturing everybody about the need for wage restraint but back in Westminster they are thinking of voting themselves another £4000. You have nothing to fear by insisting that MPs accept the 3-5% of other wage earners. Leading by example used to be a sound political principle.

<u>Sun</u> begins search for an honest MP, claiming that after scrutinising records of last election it cannot find a single instance of a successful candidate who told the electors that if elected his first action would be to increase his salary.

PETER WRIGHT BOOK

Attorney General delays his contempt move against Sunday Times until Court of Appeal rules on similar case involving three other newspapers.

Speaker rules the case cannot be debated in House.

Mirror says profits from Wright's book could be snatched by the Government.

<u>Daily News</u>: Thatcher hopes to profit from Spycatcher; leader says the position of the Government is absurd and getting more difficult to sustain with every passing day.

Today says Airey Neave was at the centre of a new MI5 dirty tricks mystery last night - alleged in Wright book that he was in direct contact with an agent who ran a smear campaign against Labour Ministers; leader contrasts "the ridiculous spectacle of the Attorney taking action against six newspapers" with what can be seen daily in American TV on Irangate hearings. You should give us the same freedom to know as Americans and Australians.

<u>Times</u>: Legal delays expected after Attorney General takes first steps in contempt proceedings against Sunday Times.

<u>Telegraph</u>: Ministers back off spy book ban from USA - your 8 month battle to prevent publication suffers serious setback.

Independent: 'Spycatcher' set to flood into Britain after going on sale in the US yesterday. DTI confirmed that there were no plans to instruct Customs and Excise to confiscate the book. Labour MPs argued the Government's legal actions to try to ban Peter Wright's book were futile and farcical and the court hearings should be put to an end. Campbell-Savours says the Government knew in advance that the Sunday Times was going to publish extracts and did nothing. Murdoch got the green light.

HEYSEL STADIUM

Sun says the nation will welcome Lords' decision.

LAW AND ORDER

<u>Times</u>: Douglas Hurd seeks more cash for extra prisons in latest public expenditure round.

HEALTH

<u>Mirror</u> says a private London AIDS clinic is planning to issue "safe for sex" identity cards - BMA appalled.

Westminster Hospital routinely testing all pregnant women for AIDS virus if they consent - Times.

EDUCATION

<u>Times</u>: Kenneth Baker and Treasury clash over teachers' pay body. He wants review board to take over from Burnham Committee. Treasury is opposed because of its likely impact on public spending.

Mail feature on Harrow and Barnet LEAs, next door to notorious Brent, who always come up with best 'O' level record for state schools.

Head teachers to put to Kenneth Baker today idea of review board.

Independent: Baker meets teachers of largest head teachers' union
this evening to voice fears about his education bill. NAS/UWT
restart their campaign of half-day strikes today in 35 local
education authorities.

UNIONS

11 employees at GCHQ face disciplinary action for supporting last month's national strikes by Civil Servants (Daily News).

Times: TUC plans new strategy to halt fall in members.

<u>Times</u>: CPSA leaders bracing themselves for defeat over all-out strike ballot.

INDUSTRY

<u>Times</u>: Price paid by manufacturers for materials and fuel showed biggest increase last month on a seasonally adjusted basis since June 1981.

Times: North Sea oil comes ashore at \$20 a barrel.

<u>Times</u>: DTI expected to publish plans in next few days for revolutionary change in £41bn unit trust industry.

<u>Times</u>: Lord Young bemoans Britain and rest of Europe's lack of success in creating American-style wealth and jobs.

<u>Times</u>: Nicholas Ridley to be questioned in Commons about repeated delays in Canary Wharf development.

<u>Times</u>: First British trade mission to visit Argentina since the Falklands war due to arrive there tomorrow to assess scope for trade should Argentinians ease sanctions against Britain.

Government agrees to provide a breathing space over plans to cut out 22 of 36 Little Neddies - consultation period extended to September.

<u>Guardian</u> says a design fault which causes vibration and metal fatigue in AGRs has placed restrictions on their use.

Two agencies praised by Prince Charles for providing jobs and training face liquidation because MSC has failed to fulfil funding agreement.

FT: Labour productivity in the largest 100 British companies has grown rapidly in last three years, according to independent trade union research report.

LOCAL GOVERNMENT

Derek Hatton and his fellow 46 disqualified Liverpool councillors have raised only £16,000 towards their £350,000 costs and surcharges.

Waltham Forest Council taken to court over 62% increase in rates for pushing through an "irrational" budget and failing to follow law over consultation.

FT: GLC properties sold to Inner City Enterprises for £48.5m. The net proceeds will be distributed to London boroughs by the London Residuary Body.

FT: Cabinet committee is due later today to consider transitional arrangements for the replacement of domestic rates. Among the proposals being considered is a longer period of phasing in the community charge in London.

RATES

<u>Times</u>: leads with Government being close to decision to phase in poll tax over three years to ease burden on households facing big increases in payments. Plans to be discussed at meeting chaired by you today.

Express says Ministers know they face hard battles in introducing the Community charge but they should start fighting back and point out that nobody is in any position to give authoritative estimates of how the charge will fall. Until then Ministers must keep reminding the public that the basic reason for reforming the rating system is that it doesn't work.

ENVIRONMENT

Greenpeace claims endangered green turtles being imported into Britain by soup manufacturers in defiance of an international conventional - <u>Times</u>.

CHURCH OF ENGLAND

<u>Times</u>: Public rift between Freemasonry and Church of England becomes official as General Synod votes almost 8 to 1 for critical report saying some masonic rituals were blasphemous or heretical.

NORTHERN IRELAND

<u>Times</u>: James Molyneaux and Ian Paisley to meet senior civil servants today to find out whether negotiations can begin on alternative to Anglo-Irish Agreement.

EC

<u>Times</u>: Chemist considering feasibility of scheme which could turn Common Market wine and sugar beet stockpile into a fertilizer base.

Jock Bruce-Gardyne, in <u>Telegraph</u>, on how your veto on Community spending could bring reform, but at a price.

FT: Finance Ministers accept UK request for special "cash accounting" arrangements for small firms paying VAT.

AUSTRALIA

<u>Sun</u> says Hawke is set to give Australia a dose of Thatcherism as the best way to pull his country out of economic mire.

SOUTH AFRICA

<u>Sun</u> notes that protestors are now back on the doorstep of South Africa House in London, notwithstanding earlier damage to building, after intervention by Bernie Grant. This is "utterly fantastic". Have you ever considered how safe protestors would be if Grant were in power?

MOROCCO

King Hassan takes three floors of Brighton's Grand Hotel - here in good time for State visit.

NICARAGUA

London Young Conservatives today to urge Government to supply military support to Nicaraguan rebels.

GULF

USA ready to attack Iran's Silkworm missiles if Iran prepares to fire on Kuwaiti tankers - Weinburger.

YOUR VISIT TO WASHINGTON ETC

<u>Today</u> says special anti-AIDS kits are on standby for your visits to USA and Jamaica.

<u>Independent</u>: Potentially damaging confrontation is looming between UK and US over US efforts to prise banking information out of Barclays Bank in Hong Kong about money that disappeared in Philippines under Marcos. Subject may be raised with you during your visit to Washington.

BEIRUT

<u>Times</u>: Kidnapped western hostages in West Beirut now being moved to secret location every 10 days to avoid rescue attempts by Syrians and their allies.

EAST/WEST

Times: Whitehall confident of INF treaty this year.

IRANGATE

<u>Guardian</u> leads with colonel North confirming British link - ie Major David Walker.

MIDDLE EAST

<u>Mail</u> says you promised King Hussein you would work with him for a Middle East peace settlement with an international conference first priority.

Under heading "Slowly to Damascus", <u>Times</u> leader supports EC's first cautious step towards repairing damaged relations with Syrians. It says that if the Europeans do not proceed with caution, they could quickly find themselves going backwards in their own anti-terrorist campaign.

FT: US warships and aircraft will start escorting Kuwaiti oil tankers through the Gulf "imminently" says Cap Weinberger.

FT: Moscow to set up consular office in Israel.

FT: You are to urge President Reagan to take a lead in trying to set up an international conference on Arab/Israel issue.

MINISTERS (UK VISITS, SPEECHES ETC)

- DES: Mr Baker meets National Association of Head Teachers, with Mrs Rumbold; later attends Gala concert of the National Music Competition final, Royal Festival Hall
- DHSS: All Ministers attend RHA Chairman's dinner, Bexhill on Sea
- DHSS: Mr Moore and Mrs Currie visit Health Education Authority
- DTI: Mr Clarke opens Alvey Conference, Manchester
- WO: Mr Walker attends State Banquet in honour of King of Morocco, Buckingham Palace
- DEM: Mr Lee attends the Outset Publicity launch for the training of disabled people in information technology, London
- DEM: Mr Cope attends a small firms extravaganza, Stafford and tours the West Midlands
- DEN: Mr Morrison addresses reception to launch British Offshore Engineering Technology Ltd, Savoy
- DHSS: Mrs Currie attends Look After Your Heart industry charter, London
- DHSS: Mr Portillo and Lord Skelmersdale receive Residential Care and National Schizophrenia lobby, House of Commons
- DOE: Mrs Roe visits Priority Estates Project, Holloway Road, Hornsey
- DTp: Mr Bottomley visits the London Borough of Bexley
- ECGD: Mr Clark hosts annual dinner for members of the Export Guarantees
 Advisory Council, Lancaster House, London
- FCO: Mrs Chalker addresses East African Association, London
- FCO: Lord Glenarthur addresses Annual General Meeting of the Inter-Parliamentary Union, London
- FCO: Mr Eggar addresses conference of the Confederation of British Industry, London
- MAFF: Mr Thompson visits Yorkshire Agriculture Show, Harrogate
- OAL: Mr Luce speaks at opening of Craft Council's Top Office Project, London
- SO: Lord James Douglas-Hamilton opens the A82, Loch Lomond
- WO: Mr Grist attends lunch for new High Commission of Sierra Leone

TV AND RADIO

DHSS Minister Mrs Currie on Radio Derby Phone in

"You and Yours"; BBC Radio 4 (12.00): No details available at time of diary preparation

"The Education Programme"; BBC 2 (15.00): First shown last Friday

"File on Four"; BBC Radio 4 (19.20): This week's programme examines the cases for compensation against the Opren drug company

"Comment"; Channel 4 (19.50): Another guest speaker gives a personal view on a current topic

"Brass Tacks"; BBC 2 (20.30): The 'Cleveland Calamity' has thrown into sharp relief the tensions between parents and professionals in coping with the sensitive area of the sexual abuse of children. Last week "Brass Tacks" suggested that a more positive approach to the abusers themselves might bring a significant drop in the number of offences. Parents, professionals, former victims and viewers discuss last week's film

"Their Lordship's House"; Channel 4 (00.20)