

PRIME MINISTERTHE WEEK AHEAD

This is another difficult week. The main problems are:

- shipbuilding crisis - John Smith and Labour MPs see Paul Channon (today); debate (Wednesday)
- unemployment/redundancies - BREL; B/Airways (both Tuesday)
- law and order - Police Federation conference - Douglas Hurd gives new manpower increases (Wednesday); Prison Officers' Association conference; more flexible pub opening hours
- nuclear - Commons debates NIREX, SDO (Wednesday)
- education - HMI report; UGC allocations to universities; Sir Keith Joseph meets NUT (all Wednesday)
- Civil Service - Treasury Select Committee report on duties and responsibilities of Ministers and officials (Thursday)
- pay - Pay review body reports (Thursday); power workers overtime ban due to begin

The main opportunities are:

- ?reshuffle
- deregulation White Paper (Tuesday)
- your presentation to Variety Club of Great Britain (Wednesday)
- CBI dinner speech (Thursday)
- American breakfast TV interviews (Friday)
- Lord Whitelaw leads IPU delegation to Moscow (message to Gorbachev) - from Friday
- your visit to Israel (from Saturday-Tuesday)

The World Cup competition begins in Mexico on Wednesday. The Chelsea Flower Show opens tomorrow.

The Labour Party NEC is due to discuss expulsions of Militant on Wednesday when the Princess of Wales will be on Tyneside.

INTERNATIONAL

- Dutch elections (Wednesday)
- Lord Whitelaw leads IPU delegation to Moscow (message for Gorbachev) - from Friday

EUROPEAN COMMUNITY

- EuroConference of Ministers of Transport (Wednesday to May 30)
- You meet President of EuroParliament (Tuesday)

PARLIAMENT

- Commons debates: - Remaining stages Social Security Bill (today and Tuesday)
- First for Questions: - Transport (today); Employment (Tuesday); Environment (Wednesday); Home Office (Thursday)
- Select Committees: - DTI - Graham Day on CBI (Wednesday); Welsh Grand Committee debates Welsh Development Agency (today)
- Lords debates: - Water industry privatisation (Wednesday)

INDUSTRY

- Union conferences: - NUPE (to Thursday); Banking union (to Wednesday); Communication Workers (postmen) - to Friday; IPCS (all week); British Association of Colliery Managers (Thursday to Saturday); Ceramics (Friday and Saturday); Further and Higher Education Teachers (Saturday to Monday); Association of Poly Teachers (Sat)
- Bank of England report and accounts (today)
- Report of Matthias working party on private sector funding of research (Tuesday)
- Health and Safety Executive report on Putherglen explosion (Thursday)
- The Guardian's deadline for agreement on technology

CONFIDENTIALNEXT WEEK (Cont'd)

THURSDAY: EC Health Ministers, Brussels
NHS Ambulancemen's pay negotiations

FRIDAY: You meet US senators
Sir Keith Joseph to address National Association of Head Teachers
Douglas Hurd visits West Midlands

BERNARD INGHAMCONFIDENTIAL

POLITICS (Cont'd)

- Labour will this week resume its attempt to expel 12 Militant supporters.
- The prospect of a split within the Alliance over nuclear defence policy emerged at the weekend when Dr Owen said he remained committed to a British deterrent and to finding a Polaris replacement.
- David Steel, in D/Star interview, warns you that your style of running the country is on the way out. SDP/Libs now have a realistic chance of election victory. But you are still a formidable opponent - not you that is liability but what you stand for.
- Setback for Kinnock - Militant elected to Welsh Labour Party executive; Eric Heffer says he will never forgive Kinnock for his attack on Liverpool councillors.
- Mail leader on Owen says if the Iron Lady is going out of favour what future is there for Macho Man. That is Owen's dilemma. Compromise and consensus are in vogue. No wonder he is impelled to express some fellow feeling for you.
- David Owen accuses you of boosting party finances by showering patronage around with an ever increasing number of peerages and knighthoods.

PUBLIC EXPENDITURE

- Telegraph leads with you under heavy pressure to spend more on education and health, but the general loosening of the purse strings is in prospect. All factions would prefer to avoid an outright confrontation.
- Guardian says you gave a hint of concessions on public spending in your Perth speech and several Ministers are talking of a more vigorous campaign for selective increases. Your mood is felt to have changed; Education correspondent claims there is every indication that more money will be forthcoming from universities to avoid closure of 3 or 4.
- Times education correspondent asserts that Sir Keith has won Cabinet approval for more spending on universities.
- FT: Higher spending on education, health and housing is now winning growing ministerial backing as a way of reversing the Government's rising unpopularity.

PAY REVIEWS

- Sun says nurses are set for a pay rise pick-me-up, with lowest paid getting nearly 10%. Royal College says it would be very angry if payment are phased.
- Sun leader thinks it is splendid they can look forward to a decent pay rise. But Michael Meacher says 10% will be worth only £14 while Civil Servants will get £50, and top salaries should be frozen.
- Peter Kellner, in Today, says public sector pay system is mad, paying officials more than Ministers.
- Express leader in a reasonably accurate account of pay review plans, applauds decision to give nurses roughly twice as much as top people.
- Telegraph leader says elsewhere as prices are moved closer to stability so have wages, except in Britain where they seem to be accelerating. The time has come to get a grip.
- Times leader says the easy way out this week is to massage Lord Plowden's figures so that they do not look unfair. The difficult path will be to accept controversial increases because, for example, Plowden has found convincing evidence about a haemorrhage. The worst case would be to attempt some hole-in-the-corner decision sneaked out in an unargued written answer.

LOCAL GOVERNMENT

- Institute of Directors wants identity cards introduced to prevent "Community charge" dodging when rates are reformed.
- Telegraph says more than 100 of the 913 Labour councillors elected in London on May 8 have emerged as supporters of Labour Briefing, an extreme Left wing group.
- Government proposals for a centrally-fixed, uniform rate for business is a policy of despair, says the Institute of Directors.

LAW AND ORDER

- Mail says that overcrowding in jails is not the only explosive issue; so is the disproportionate number of blacks detained in them.
- Mail adds that the POA is questioning Prison Department's interpretation of deal with Home Office.

SPORT

- Sun says war against soccer thugs is being won - violence at grounds halved last season. It says the way things are going "next season could be the happiest and safest for years".

NORTHERN IRELAND

- Dr Fitzgerald rules out any possibility of the Anglo-Irish Conference being suspended to allow Unionist talks to begin with British Government
- Guardian however says fears of inflaming passions during the marching season will mean marking time. Guardian leader says the dodgy question for US senators is how they manage to swallow the Libyan camel while straining at the Irish gnat.
- Times also says visible changes are unlikely until the autumn because Government will stay their hand on the Agreement.

USA

- George Bush reported to be in excellent health after skin cancer operation.

SRI LANKA

- Fierce fighting on Jaffna peninsula as Government troops try to restore Government control from Tamil rebels.

EAST-WEST/DEFENCE

- John Stanley says the new generation of American "binary" chemical weapons could be deployed in Britain at a time of serious tension.