# PRIME MINISTER

# MAIN EVENTS

HM The Queen opens new premises of the Reading Newspaper Company Ltd Reading; later visits Reading School to mark quincentenary; also

Institution of Professional Civil Servants annual delegate conference,

Communication Managers' Association annual conference, Southport (to

Welsh Grand Committee debate on the Welsh Development Agency

Further Education Staff College seminar on staff appraisal

# STATISTICS

HO: Breathtest statistics 1985

DTI: Retail Sales (Apr-prov)

HMT/CSO: Public Sector borrowing requirement (April)

# PUBLICATIONS

DTp: Report on violence to bus crews (1530)

DOE: Bank of England Report and Accounts 1986 (1600)

# PARLI AMENT

#### Commons

Questions: Transport; Wales

Business: Progress on remaining stages of the Social Security Bill

Select Committees: HOME AFFAIRS: SUB-COMMITTEE ON RACE RELATIONS

AND IMMIGRATION

Subject: Racial attacks

Witnesses: Metropolitan Police, Association of

Police Officers

PUBLIC ACCOUNTS

Subjects: Preventive medicine; General Dental service

Witness: Sir Kenneth Stowe, KCB CBO,

Permanent Secretary, Department of

Health and Social Security

### PARLIAMENT (Cont'd)

Select Committees

TREASURY AND CIVIL SERVICE

(Cont'd)

Subject: Long-term trends in resource and

· public expenditure

Witnesses:

HM Treasury officials

Lords:

Ullapool Harbour Order Confirmation Bill:

third reading

Armed Forces Bill: (Committee)

Gas Bill: Committee

Corneal Tissue Bill: 2nd Reading

British Shipbuilders (Borrowing Powers) Bill:

2nd Reading

MINISTERS - See Annex

### PRESS DIGEST

A great deal of space taken by Ian Botham's admission that he smoked marijuhana and the likely consequences for his cricket career.

Most serious story today is the prospect of more public spending on health, education and housing. Mail says the message from Wet and Dry alike is that the Chancellor can afford modest tax cuts and higher spending.

#### TERRORISM

- Police on guard against risk of a Libyan bomb on a cross Channel ferry.

- Prince Charles in a terrorist ambush 'scare' happily unfounded on Thames Embankmen
- IRA shoot dead a shop owner in Co Tyrone.

#### TOURISM

- B/Airways scrap plans to take on 1500 temporary workers because of fall off in American tourism; but <u>Sun</u> says B/A are set to announce hundreds of redundancies; to launch an emergency marketing promotions in New York.
- Stratford on Avot cuts its prices by 10% to attract tourists.

### POLITICS

- Julian Critchley says you "cannot be an asset" but there is no question of changing leadership.
- Sun 'Worried Wets gang up on Maggie' a reference to weekend radio interviews with Messrs Heseltine, Brittan and Howell; plus Home Secretary and Kenneth Baker join Tory Reform Group
- Express leads with "Tories urge Maggie to pick caring Cabinet" Baker fo
  DES; Fowler for Environment; Clark for DHSS; Chris Patten for PMG.
- Mail says you are this week to launch a counter attack against your uncaring image with 7-9% increases for nurses and midwives; and a new Secretary of State for Education. Main clamour will then be for Government to address itself to unemployment.
- Lynda Chalker quoted as saying you do listen and you do care. Now you need to show that you care so that people understand it as well as those who have the chance to be near you. Charles Moore, in Telegraph, says you are far better liked among those who work with you every day than most politicians.
- <u>Telegraph</u> says the adherence by Messrs Hurd and Baker to Tory Reform Grou is being seen more as a sign that hopes of Messrs Heseltine and Walker of leadership are under challenge.
- Telegraph says the conviction is growing that Douglas Hurd deliberately ensured defeat of Shops Bill to save the Government from a summer of political embarrassment.
- <u>Times</u> says Conservative Party continued in turmoil yesterday with MPs and Ministers snatching at the opportunity offered by your new listening image.

### 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 <u>D/Star</u> 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 thepurse 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.
- <u>Times</u> education correspondent asserts that Sir Keith has won Cabinet approval for more spending on universities.
- <u>FT</u>: Higher spending on education, health and housing is now winning growing ministerial backing as a way of reversing the Government's rising unpopularity.

### INDUSTRY

- B/Rail Engineering, which is expected to announce 4,000 redundancies tomorrow, signs £5m deal to build 3 prototype rail coaches for China B/Rail chairman replies to "Today" criticism of its service.
- Claims that Nissan is to breach voluntary restraint agreement over Japanese car imports; John Spellar MP calls for a ban on the import of al Japanese cars.
- Shipyard managers and workers to stage protest strikes over redundancies and closures.
- <u>Mail</u> says thousands of skilled men who changed jobs during the recession are being urged to return to mechanical engineering.
- B/Cal talking to Intasun and Cathay Pacific air links Government, it is said, would welcome the latter.
- Welsh Labour Party calls for phasing out of nuclear power.
- The Government will come under pressure this week to act in support of the shipbuilding industry. MPs from Scotland and the north east are to meet Paul Channon today (FT).
- FT: British aid, trade and commercial representation in Africa is sharply attacked in a report published today by a committee led by the London Chamber of Commerce.
- Sales of machine tools in the three months to February were 15% higher than the previou quarter.
- Three firm bids are likely to further embarrass the Government in its attempt to return parts of BL to the private sector. One bid, from a Leyland Bus management-led consortium, is likely to attract support from many Conservative MPs (FT).
- The CBI will this week urge the Government to press ahead with its promised review of competition policy (FT).

#### UNIONS

- NUPE backs demand for £2.75 an hour but rejects Left demand for all out industrial action.
- Postal workers' leader calls 4.5% offer "an insult".
- 20 GCHQ staff face disciplinary hearings today for belonging to a union.
- Express says the offer to electricians is generous at twice the rate of inflation and now is no time for the EETPU to throw away its reputation for fairness and moderation.
- Guardian says tensions between nuclear scientists after Sellafield and Chernobyl will surface at this week's IPCS conference.
- Prospects of a pay pact between Labour and the unions have improved sinck NUPE voted overwhelmingly against a policy of non-compliance with wage restraint (FT).

### 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 <u>Today</u>, 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.
- <u>Times</u> 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 of Cabinet. 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 1913 Labour councillors elected in London on May 8 have emerged as supporters of Lab our 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.

### HERITAGE

- Paul Getty gives £0.5m for repair of mediaeval buildings around Ely Cathedral.

### EDUCATION

- Today says Ministers are under increasing pressure to ban political indoctrination in the classroom. Gallup shows a majority of 2-1 in favour of legal curbs. Express says your new Secretary of State for Education should get the message.
- <u>Mail</u> leader on "hell hath no fury like a teaching union scorned" refers to the pressure on a Scarborough headmaster for publishing in the school newspaper a critical report of the behaviour of teachers attending a union conference.
- Guardian leader forecasts a week in which the dons protest at Thatcher cutbacks; inspectors lash inferior schools.

### HEALTH/WELFARE

- Telegraph says thousands of telephone calls threatening suicide are being made to Samaritans by desperate cyildren, some only 10.
- CBI andother employer organisations say they will not support DHSS plan to pay family credits through the pay packet rather than to mother.
- Guardian claims that ambulances for up to 3000 patients a week have been cancelled in London because of health cuts.

### 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 the deal it reached with Home Office questioning Prison Department's interpretation of it.

### 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".

(afend 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.
- <u>Times</u> also says visible changes are unlikely until the autumn because Government will stay their hand.

Bofffeddle all delinine - presenticul no loge Em ireanis modery trolaments lost il more y before justice administration

# FALKLANDS

- MPs tabling questions about loss of HMS Sheffield which the Mirror has taken up; Mirror persists with its Saturday lie that B. Ingham said you were "totally disinterested" in the truth about the scandal.

### GERMANY

- 130 police injured in violent demonstration outside first nuclear reprocessing plant in Bavaria.

# AUSTRIA

- Mail says senior Ministers of UK Government are annoyed about Waldheim's cover up of his past.

### MIDDLE EAST

- Terry Waite plans a new trip to Beirut to try to free 3 British and 4 US hostages.

### RUSSIA

- American bone marrow expert says more than 50,000 Russians were affected by the Chernobyl cloud.

### USA

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

### SRI LANKA

 Fierce fighting on Jaffua 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.

JUN was regeneration, in the opening of the low of the low of read arose ten full consultate would be consultate.

# .. NISTERS (UK VISITS, SPEECHES ETC)

MAFF: Mr Jopling addresses Chelsea lunch, Royal Hospital

MOD: Mr Younger and Mr Lee attend reception for defence correspondents,

London

DES: Sir Keith Joseph meets with PAT (Professional Association of

Teachers)

HO: Mr Hurd records interview for LTW's "Once a Thief" programme

SO: Mr Rifkind lunches with Dundee Chamber of Commerce, Dundee; later

visits Don Bros; later visits D C Thomson Newspapers & Radio Tay;

evening dines with University Principals, Dundee

MAFF: Mr Gummer addresses Kendall Stuart Ltd Grain Conference, Chester

MAFF: Mrs Fenner visits Wellcom International Trading Company,

DES: Mr Patten addresses Industrial Society

DEM: Mr Trippier launches code on late payment of bills

DOE: Mr Tracey attends Central Council of Physical Recreation AGM,

London

DOE: Mr Patten opens housing scheme for the elderly in Harrow

DOE: Mrs Rumbold meets New Zealand Environment and Housing Minister,

London

DHSS: Mr Whitney visits Nuffield Hospital, Slough

SO: Mr Stewart attends launch of Electronics Database

SO: Mr Mackay addresses Clinical Biochemists conference, Glasgow

DTI: Lord Lucas attends British American Chamber of Commerce lunch,

London

DTI: Mr Morrision opens Exhibition on Chemical Industry, HOC

DTp: Mr Mitchell attends the Channel Tunnel Group's reception for

environmentalists (with Mrs Rumbold), Portland House

#### MINISTERS (OVERSEAS VISITS)

DEM: Mr Clarke visits Rome for meeting of European ministers (to May 20)

FCO: Mr Renton departs for Bulgaria and Rumania, (to May 23)

#### TV AND RADIO

<sup>\*</sup>Money Box\* BBC RAdio 4 (10.00): Repeat of Saturday's programme

<sup>&</sup>quot;The Marketing Mix - using the media"; Channel 4 (18.30): features the advertising policy of H J Heinz.

<sup>&</sup>quot;World in Action"; ITV (20.30)

<sup>&</sup>quot;Panorama"; BBC 1 (21.30): A report on the Comrades' movement in South Africa