

PRIME MINISTER

MAIN EVENTS

Prime Minister meets Nancy Reagan; later attends dinner for Mrs Reagan

Princess of Wales attends premiere of Bolshoi Ballet Company's "Ivan the Terrible", Covent Garden

Foreign Secretary departs for Pretoria (to July 30)

Announcement of RSG and ratecapped authorities

President Reagan expected to make major speech on South Africa

US Senate Foreign Relations Committee hearings on South Africa

Announcement on Planned Programme of Implementation of local authority civil defence preparedness (1530)

Labour Party meets on party policy

Sino-British Joint Liaison Group on Hong Kong meets, London (to July 25)

Comare Report on Sellafield radiation discharge

STATISTICS

BOE: Institutional investment (1st qtr)

HO: Control of Immigration statistics

PUBLICATIONS

DOE: Radio Active Waste Management Advisory Committee annual report (11.00)

HO: Annual report of Broadcasting Complaints Commission 1986 (15.30)

HOC: Public Accounts Committee Report on Royal Ordnance Factories

HOC: 4th Report Foreign Affairs Select Committee on PCO & ODA Supply Estimates for 1986-87 (11.00)

DTI: Revised Code of Conduct for companies with investments in South Africa (15.30)

DTI: Metrological Control of Equipment for use for trade: The Government's response to the Report to the Eden Committee (11.00)

HMT: Cash Limits 1985/86 provisional out-turn (And 1984-85 out-turn) (15.30)

PAY

DEM: Police; (141,400); start of negotiations; settlement date 1.9.86

PARLIAMENT

Commons

Questions: Employment; Social Services; Prime Minister

Business: 10 Minute Rule Bill: South Africa (Sanctions) (Mr R Caborn)
Education Bill (Lords): Remaining Stages

Adjournment Debate

Delays experienced by small high technology firms in
obtaining Board of Approval for British Telecom approval
(Mr P Ashdown)

Select Committees: SELECT COMMITTEE ON THE CHANNEL TUNNEL BILL

EDUCATION, SCIENCE AND ARTS

Subject: Scrutiny Session

Witnesses: Rt Hon Kenneth Baker, MP,
Secretary of State for Education and Science, and
officials from the Department

COMMITTEE ON A PRIVATE BILL

Harwich Parkeston Quay

Lords Housing (Scotland) Bill: Consideration of Commons Message.

Wages Bill: Third Reading.

Agriculture Bill: Third Reading.

MINISTERS - See Annex

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PRESS DIGEST

SOUTH AFRICA

- A Whodunnit morning, with the media trying to find the Palace briefer.
- Mirror says a "Government Minister" told them last night that the Queen "loathes" you and that her feelings are shared by Prince Charles. Your only supporter in the Palace is Prince Philip.
- Liberal David Alton wants a statement today.
- TUC leaders shocked by what they saw in South Africa.
- D/Star says you and Queen have sealed a new relationship with a pact of silence on the Sunday Times "disclosures". Your "crisis" meeting yesterday with colleagues described as "absolute rubbish". List of suspects - Queen, Prince Charles, Lord Whitelaw, Michael Shea, Tory rebels and a hoax; leader says there are some mischief makers around, determined to undermine the system. They must be stopped. Candid statements needed from No 10 and Palace because repair work needs to be done.
- Sun's potential list of leakers is Prince Charles (suggested by Anthony Beaumont-Dark) and Michael Shea (who refused 3 times to comment) and, according to Nicholas Fairbairn a politician who should be impeached; leader - you will easily survive any attempt by the Palace to interfere in Government, but the effort could end in disaster for the future of the monarchy. Queen should be careful for all our sakes.
- Mirror says your meeting with the Queen tonight will be frosty. Michael Shea strongly denied he was the "mole"; leader - a snide leader which suggests the only safe thing you and Queen can talk about tonight is the weather.
- Today P1 lead - "Sack mole. Tory MPs urge the Queen. Knives out after attack on Thatcher". Ian Gow says whoever gave the briefing behaved with "massive impropriety"; says Michael Shea is too experienced to fall into the trap of perpetrating to pass on the Queen's personal opinions.
- Express P1: MPs call for Royal "mole" to be sacked. But many Thatcher supporters doubt whether the mole really exists. Profile of "All the Queen's Men" featuring Bill Heseltine, Michael Shea, Sonny Ramphal and Lord Whitelaw; leader under heading "For Queen and Country, end this conspiracy", says someone must act promptly to still the clamour about the alleged rift. Nothing you can do. You didn't begin the whispering. Whoever thought up this little plot against you knows nothing about the British constitution or the British people.
- Mail says Sir Anthony Kershaw says Michael Shea should go. Last week a Cabinet Minister met a Sunday Times journalist and discussed the Queen's attitude to the Commonwealth, but insists what he said was unexceptional.
- Enoch Powell, in Mail, on "The plot that bounced back....It misread Maggie and the mood of Britain". He says the press were tipped off from Westminster by Tory grandees a week ago that there was a briefing to be had on the Queen's views, trading on the constitutional ignorance of those who report political news.
- Telegraph P1 lead: "Hunt for Palace 'leak'." Heads must roll demand by MPs. Queen under pressure to dismiss the Palace adviser alleged to have been responsible for press reports. MPs want high level inquiry.

COMMONWEALTH GAMES

- Robert Maxwell says those who stay away - and you - will get bill for £2m if, as expected, the Games lose money.
- Sri Lanka, Cyprus and Seychelles leave Games - total withdrawal 27.
- Annette Cowley to hear today whether High Court will lift ban.
- Mail leader says it is not a mass walkout of free men and women from the Games but a forced march of the marionettes.

ECONOMY

- FT: Crude oil prices will not return to their 1985 level, in real terms, until the next century, says the European Energy Outlook.
- Times: "Thatcher factor wipes another £4.4bn off shares." There is mounting City concern over the Government's prospects and the state of the economy.
- "Retail sales soar 3.2% to new high".

POLITICS

- Express has Benn trying to regain the leadership of the Far Left at a mass meeting this evening, urging them to work with Kinnock knowing Left will be far stronger than before in party.
- Sun leader on Hattersley's idea of imposing penal taxation on "the very rich" - ie those earning over £27,000 a year. Maybe, it says, he should tell us who is going to produce the nation's wealth if hard work, enterprise and ambition are taxed out of existence.
- Peter Riddell, FT, says most politicians - like most of the public - believe you will probably just make it back to Downing Street in the next election.
- Labour Party's draft policy paper envisages £3bn savings from abolishing nuclear deterrent and reducing defence commitments outside NATO.
- Peter Middleton, Treasury, has told his officials to refuse to accept instructions which compromise their political neutrality and constitutional integrity.

INDUSTRY

- Post Office pre-tax profits at £151.5m; postal workers want a £20-a-piece bonus. Paul Channon hints at plans to privatise parts of Post Office.
- Miners at Houghton Main, Yorkshire, colliery strike on first day of new productivity pay scheme.
- Today feature on Consett "the town that came back from the dead".
- Survivors of Manchester air crash to share £10m compensation.
- £90m ferry ships order for Wearside shipyards from Denmark. B/Shipbuilder however reaffirm their decision on redundancies.
- Times: Sealink wants £100m compensation from the Government to cover redundancy costs and asset write-offs caused by the decision to go ahead with the Channel Tunnel.
- Sealink and Townsend Thoreson are to ask Government permission to integrate with a common pricing policy and fewer ships.
- Sir George Jefferson on B/Telecom turns down a £60,000 a year pay rise due to him.
- Times: TSB announced yesterday the start of a new publicity campaign lead up to a September flotation when it hopes to attract more than a million shareholders.
- Sussex hotel unable to fill 10 job vacancies after 6 months' advertising gets 400 applicants after letter to Telegraph.

LOCAL GOVERNMENT

- Sun says local government experts who want inner cities revitalised on the lines of the London docks scheme are dead right. You can't have too much of a good thing.
- Mirror says Derek Hatton is expected to be sacked by Knowsley Council, while he is on holiday, for "gross misconduct".
- Local authorities will today go ahead with a 7.5% pay deal for Britain's police, in spite of doubts over government funding.

HOUSING

- More homes sold in last 3 months than at any time since November 1982.

EDUCATION

- Today on today's "chance to beat the cane" says the time has come for Parliament to abolish it. No longer appropriate. Tonight's vote expected to be cliff-hanger. Private school head being taken to court by mother of a pupil he caned.
- Ealing Council labels Wendy Houses sexist.
- Times: The price of peace in the schools may eventually be £2.5bn, rather than the £1.25bn earmarked.

HEALTH/WELFARE

- Mirror: NHS: Fowler acts at last - a reference to Norman Fowler's initiative to cut hospital waiting lists. BMA says this cannot succeed without more money.
 - You order a crackdown on scroungers who use State handouts to furnish their homes (Sun); Mirror: Benefit snatch hits the poor. Express: £100m saving as Government acts to stop massive abuse.
 - Mail says the rush for bargains at benefit shops is not so much a reflection of rising need but result of Labour controlled councils drumming up custom. Labour's titillating on increased appetite for welfare which no State could ever fully satisfy without bankrupting itself is the pornography of politics.
 - Times: The Public Accounts Committee rebuked health officials yesterday for hiding cuts in patient services under the guise of "efficiency savings".
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- Another Mirror shock-horror story about Romford Hospital cancer unit to be closed because of cuts and £800,000 worth of equipment sent for scrap.

LAW AND ORDER

- Body found on Potters Bar railway embankment identified as missing bride of a month; police link find with other murders.

Stockwell, London, strangler of elderly claims 7th victim.

NORTHERN IRELAND

- Questions in Commons today about allegations that MI5 tried to smear Stalker.

MADRID

- Terrorists try to kill Defence Minister with anti-tank grenade attack; 8 hurt.

SAUDI ARABIA

- Express says a British couple face possibility of being beheaded in public after allegedly confessing to murder of an Irish nurse.

MIDDLE EAST

- Shimon Peres flew to Morocco last night for a meeting with King Hassan. The mission is shrouded in secrecy.

TURKS AND CAICOS

- A crisis is looming in the Islands (Times). Trouble could flare up when the results of an inquiry into corruption are announced. A frigate and troops are standing by.

ITALY

- Craxi has been asked to try to form a Government.

RUSSIA

- Guardian leads with a manifesto of political and economic reform from senior sources in Moscow.

JAPAN

- Times: Japan has set strict spending limits for next year, shrugging off demands that it should cut its trade surplus.
- Japan captured a record 11.8% of her European car sales in the first half of 1986.

VATICAN

- Has launched a campaign to improve the way priests handle the media.

BERNARD INGHAM

MINISTERS (UK VISITS, SPEECHES ETC)

MOD: Mr Younger gives interview to Engineer magazine; later lunches with Frank Melville of Time Magazine

DEM: Lord Young presents "Come to Britain" awards, London

HO: Mr Hurd meets Italian Interior Minister, Sig. Scalfaro, London

HMT: Mr MacGregor visits London Docklands

WO: Mr Edwards attends Royal Welsh Agricultural Show, Builth Wells

MAFF: Lord Belstead launches straw and stubble burning campaign, London

MOD: Lord Trefgarne receives AEW briefing from Lockheed

DEM: Mr Trippier attends IBM lunch

DEN: Mr Buchanan-Smith visits Winfrith

DOE: Mr Patten visits Cleveland

DOE: Mr Tracey addresses Westminster Sports Council AGM, HoC

FCO: Mr Renton addresses FCO seminar on Iran/Iraq

DHSS: Mr Major visits Kennington area office, London

HO: Mr Mellor visits Ashwell and Stockton prisons

HO: Lord Glenarthur attends POA reception, HoL

SO: Mr Stewart addresses annual conference of Museum Association, Aberdeen; later attends Commonwealth Games Federation reception, Edinburgh

DTI: Mr Howard attends COI reception/dinner for London based foreign journalists

TV AND RADIO

"File on 4"; BBC Radio 4 (19.20): Multi-cultural education in Britain

"Questions of Defence"; BBC2 (19.30): History of Nato - Was it right decision to go in for nuclear weapons?
