PRIME MINISTER

MAIN EVENTS

Prime Minister meets Mrs Jashi, mother of Tblisi bride (photocall)

The Queen and Duke of Edinburgh give a garden party at Buckingham Palace

The Prince and Princess of Wales attend the film premiere of Superman IV, Leicester Square Theatre, London

EC: Budget Council, Brussels (to 24 July)

House of Lords Summer Adjournment (to 20 October)

Rate Support Grant statement

STATISTICS

CSO: Preliminary estimate of consumers' expenditure (2nd qtr prov)

HO: Experiments on living animals, Great Britain 1986

HO: Waiting times in Magistrates' Courts

PUBLICATIONS

DTI: Public Accounts Committee report on Government services to exporters

DTI/ECGD: Export guarantees and overseas investments annual report

HO: Government's response to SCORRI report on Bangladeshi's in Britain

HO: IBA Reports and accounts 1986

ODA: Annual review of British overseas aid 1986

PCA: Parliamentry Commissioner for Administration: First report

session 1987-88, selected cases 1987 - volume 3

SO: Her Majesty's Chief Inspector of Constabulary report

SO: Scottish Law Commission report on computer fraud

HMT: Cash Limits Outturn White Paper

PARLIAMENT

Commons

Questions: Northern Ireland; Agriculture, Fisheries and Food; Prime

Business: Motions on Northern Ireland Orders relating to Water Fluoridation, Charities, Latent Damage and Enduring Powers of Attorney

The Chairman of Ways and Means has named opposed private business for consideration at seven o'clock

Adjournment Debate: Trunk road problems in the Selby area (Mr M Alison)

Lords: Western Isles Islands Council (Vatersay Causeway) Order Confirmation Bill: Third Reading

Consolidated Fund Bill: Second Reading and Remaining Stages

Finance Bill: Second Reading and Remaining Stages

Hovercraft (Civil Liability) (Amendment) Order 1987. Motion for Approval

Bunk Beds (Entrapment Hazards) (Safety) Regulation 1987. Motion for Approval

Resolution on Peers' Secretarial Allowance

Ministerial and Other Salaries Order 1987. Motion for Approval

F

UQ on self-sufficiency in food

MINISTERS - See Annex

PRESS DIGEST

MAIN NEWS

Cautious welcome in Washington for Gorbachev's agreement to global zero-zero which is hailed by British press as a breakthrough.

Appeal today against Judge's decision yesterday to lift ban on publication of Peter Wright book.

Economic nerves - fears of rise in interest rates and £6bn wiped off shares as trade falls £561m into red.

Arab political cartoonist on life support system after being shot in London street.

Texaco alleged to have threatened British sailors who refuse to serve on tankers in the Gulf with the sack - Nellist calls on Minister for Transport to reverse "this disgraceful policy".

Gavin Laird reprimanded by AEU executive for accepting your invitation to dine with Mahathir and "snubbing" Kinnock.

Labour Party sacks 45 workers - Left accuse Kinnock of behaving like you.

BAA tender price 283p - tens of thousands of investors disappointed; won't get shares.

Ron Dearing reveals he is to leave Post Office in September with £170m profit behind him.

More than 500 passengers on two jets said to have had lucky escape when the 'plane had to abort landing because a jumbo was on the runway.

Old folk removed from a Gravesend home yesterday after death of a resident: police investigating. Magistrates cancel home's licence.

Kenneth Baker steps in to stop Left asset-stripping schools and colleges in advance of Government reforms.

Government is winning the war against soccer hooligans - your crackdown has led to more arrests and closed circuit TV has had a big effect.

ARMS CONTROL

Star: Soviet atom pledge.

Sun: Shock Red nukes offer.

Mirror: New hope on nukes.

<u>Today</u>: We'll scrap all missiles - Gorbachev; hopes soar as Soviet leader does U-turn.

<u>Daily News</u> leads with Gorbachev's new arms reduction offer: zero-zero.

Express leads with nuclear deal drama - Gorbachev offer brings talks closer - astonishing turn around.

Mail also leads with "Missile deal sensation - Gorbachev stuns the West with U-turn on arms". Big jubilation in Downing Street coming as it did only hours after your personal message was delivered to Kremlin; leader says if Gorbachev is saying what he means, it is looking good. If we can achieve the greatest disarmament pact the world has known it will be because the statesmen of the Western Alliance - staunch among them Margaret Thatcher - did not cringe.

Times leads with "new offer by Gorbachev on Asia Missiles. Bid to unblock stalled Geneva arms talks". White House gives guarded welcome to announcement, while you wait for official confirmation, but offer bound to be welcomed by Government if there are no strings attached; leader, under heading "A Sign not a key", says Gorbachev's announcement does not clear the way for an agreement but it does bolster Western hopes. It is a sign of encouragement rather than a key to unlock doors.

<u>Telegraph</u> leads with "Russia breaks arms stalemate - double zero option agreed by Gorbachev."

<u>Independent</u>: US welcomed Soviet arms offer and expressed cautious optimism it might lead to an arms control accord and summit.

FT: Gorbachev removes further obstacle to missile pact with US. Defence budget will not be cut says Younger.

<u>Guardian</u>: Russians ready for world-wide elimination of medium missiles.

MIDDLE EAST

Iranian warning of Holy War against Britain if we join US warships in Gulf (Sun).

<u>Sun</u> leader says that instead of being grateful to Reagan for protecting tankers, Labour has an attack of the vapours.

Express says Khomeini bowed yesterday to US Navy firepower.

Mail says dearer petrol is in the offing because of the crisis - up 2-3p.

<u>Times:</u> British merchant navy officers warn you not to allow Kuwaiti ships to reflag under Red Ensign at time when hundreds of UK officers were already risking their lives in the Gulf, many in foreign-registered vessels.

<u>Telegraph</u> says Government yesterday played down the significance of Kuwait's interest in reflagging.

<u>Independent</u>: French fears mount over embassy row with Iran on date which had been set by France as a target for agreement with Iran on release of embassy staff went by with no deal in sight.

<u>Independent</u>: Nora Beloff says that Gorgachev's diplomatic spectacular on the Gulf crisis may turn out to have more sinister implications. The West must recognise that deception has always been an indispensable tool of Soviet diplomacy.

Independent: The US convoy in Gulf was seen as the most dangerous
initiative taken by Reagan. Ostensibly there to protect the
Kuwaiti tankers the US ships seemed more to be seeking a
confrontation_with Iran.

<u>Telegraph</u> leader wants Government to distinguish between reflagging and re-registration; American approach to reflagging appears to be less particular than registration. You must distance yourself from Labour taunts of rentaflag.

WELFARE

More allegations that elderly patients in Lambeth home were "helped" to die.

<u>Star</u> leader on the "appalling and almost unbelievable account" of misery of residents in Camberwell home, says there was obviously inadequate supervision.

Times leader discusses the problems facing the elderly and looks at what happened at Nye Bevan Lodge. It considers what might be done to help, including tax allowances for those who look after their parents; more flexibility among local authorities allowing old people to move from one council flat to one in another area so that they can be near to their children; and calls for local authority homes to be constantly inspected.

<u>Independent</u>: Southwark Council has started disciplinary proceedings against 14 members of staff after findings of ill-treatment and cruelty at Nye Bevan Lodge. Guidelines are likely to be issued by the Government to avoid a repeat of the ill-treatment of the elderly.

Independent: Doctors and health visitors call for action on plight
of homeless whose numbers have doubled in the last year.

HOUSING

Robert McCrindle MP wants Government action on gazumping.

INNER CITIES

<u>Times</u>: Medical conference told that the lives of millions of people was overshadowed from cradle to grave by the crumbling fabric of the inner cities in which they lived.

Mail says Government is considering seizing billions of pounds of local government money to plough back into decaying inner cities - in the form of £7bn receipts from council house sales.

<u>Telegraph</u> says Government is to spend millions over next 5 years on new workshops and offices for small businesses.

RATES

New concession coming on community charge - low income earners will pay only 20% of average national charge.

<u>Sun</u> says you will today clear the way for a deal on rates reform which will head off a Tory revolt.

Ronald Butt, in <u>Times</u>, discusses the present rating system and looks at the community charge and possible alternatives. He suggests that if education, fire and police were wholly removed from local to central funding, local authority spending could be sufficiently reduced to make the flat-rate poll tax much less of a problem.

TAXES

Today leads with report that Chancellor is planning big tax changes with cuts of higher rates and imposition of 10% tax rate on all earners.

EDUCATION

<u>Times</u>: Big shake-up planned for 500 local authority colleges to make them more efficient.

<u>Times</u>: Universities invited by Science and Engineering Research Council to bid for national university superconductor research centre.

LAW AND ORDER

<u>Mirror</u> leader calls Lord Chief Justice "remarkably sensitive" over criticisms of judges and says his remarks are rich when he himself has protested at over-lenient sentences. Judges are not infallible and Judge Lane should stop making an ass of himself.

Express says criticism of judges should not stop and will not stop. What he said will further alarm the public which is already losing confidence in the protection of the courts.

<u>Times</u>: The Bar is locked in a fresh dispute with Lord Chancellor's Department over legal aid fees.

MPs' PAY

<u>Sun</u> attacks "handsome" pay rise for MPs when politics is only a part-time job. It is better for MPs to have outside interests. When a politician knows no world outside Westminster he becomes like Skinner, and who wants more like him?

Mail leader wonders what would happen if you refused to underwrite in full the next recommended rise for Civil Servants - you could clobber MPs.

<u>Times</u> looks at how the perks and privileges add up for MPs. Salary tied to Civil Servants but they don't get the £21,000 secretarial allowances.

Ken Livingstone suggests MPs should clock on and off and Skinner calls on Labour MPs to give £1000 to Party.

INDUSTRY

Today wants you to follow up Ron Dearing's resignation with news that Post Office is to be privatised, including Royal Mail.

Express says Dearing's frustration with his strike-happy staff is understandable; why not make it a non-strike occupation as in USA?

Government is to fight new EC plans for cuts in steel industry.

Reward Regional Surveys reports trend towards longer holidays and profit sharing schemes in British companies.

Times: 9.5% rise for staff at GCHQ.

<u>Times</u>: Fords offer 33,000 hourly-paid staff £200 each to have wages paid into a bank.

Times: EC may resist BA/B.Cal merger.

British scientists leading world in "unravelling the atomic recipes of high temperature superconductors" (Telegraph).

<u>Independent</u>: London Air Traffic Control Centre at West Drayton, Middlesex, is a liability in terms of operational effectiveness, security and morale, according to a study; leader says that there is a strong likelihood that unless and until there is a major air catastrophe defects already detected in the system will be neglected.

<u>Independent</u>: British Coal could face renewed disruption if it continues the sacking of a popular NUM official.

FT: Dr Mahathir appeals to British businessmen to invest in Malaysia, and promises that the Buy British Last campaign is dead.

Telegraph says Mahathir's visit was overdue and welcome.

ECONOMY

<u>Daily News</u> says the country yesterday discovered where all May's inflated bank lending went - on imports. This brings the prospect of putting the brakes on an economy where 11% are unemployed.

Independent: Trade figures were far worse than expected, and coming after Monday's sharp rise in bank lending and consumer spending, seemed to confirm fears of an overheating economy and a resurgence of inflation; leader says it would be unfortunate however if the reaction turned from reasonable shake-out to full-scale panic. There are explanations for both sets of figures which should militate against exaggerated anxiety.

FT: Surge in UK trade deficit upsets financial markets. Lex column says the trade figures, along with credit and retail sales statistics published on Monday, certainly give ammunition to those who believe UK economic growth is getting up too much of a head of steam.

Jock Bruce Gardyne, in <u>Telegraph</u>, thinks you and Chancellor will for the moment be keen to stare down market pressures for higher interest rates but if pressures build, resistance is liable to end in tears. He adds that if the PES round should produce last year's result it would produce a monetary posture which would be more than the world would take on trust.

MEDIA

Today forecasts Brian Wenham will be new head of Channel 4.

POLITICS

Today says Steel is to snub SDP and stay away from their annual conference. <u>Times</u> says it is unlikely Owen will go to Liberals' conference either.

LOCAL GOVERNMENT

Lewisham approves plans for a £250,000 gay and lesbian centre in the face of Tory opposition.

EC

<u>Times</u>: EEC to set aside nearly £700m of its recently agreed R&D programme to fund experimental nuclear fusion reactor.

<u>FT</u>: European Commission is investigating proposed BA/B.Cal merger; but Brussels authorities would have no power to stop it.

PETER WRIGHT BOOK

<u>Independent</u> claims that Treasury Solicitors asked chairman of British company which owns Viking Penguin, the American publishers, to sack the directors if they insisted on publication.

<u>Independent</u> carries a full page feature on "Spycatcher" which includes text of exchange of letters between David Hogg, Assistant Treasury Solicitor, and Viscount Blakenham, chairman of Pearson, Viking Penguin (American publishers of the book is a subsidiary of Pearson).

<u>Guardian</u> rejoices briefly before case goes to Appeal; it puts correspondence between Treasury Solicitor and Lord Blakenham on its front page, along with judgement scrapping ban on newspaper publication.

SRI LANKA

FT: President Jayawardene proposes Tamil homeland in island's northern provinces.

MINISTERS (UK VISITS, SPEECHES ETC)

- MAFF: Mr MacGregor tours South West region, Dorset
- DEM: Mr Cope attends a lunch with Business in the Community, Lancaster House, London
- DEM: Mr Nicholls visits the South West
- DES: Mrs Rumbold meets with National Society for Education in Art and Design, London
- DES: Mr Jackson visits the Open University, Milton Keynes
- DES: Mr Dunn meets deputation about the proposed closure of Coates Primary School, Gloucester
- DHSS: Mrs Currie launches Smoking Policies at Work, Kings College, London
- DHSS: Lord Skelmersdale launches Habinteg Housing Association, London
- DOE: Mr Waldegrave meets Federation of Black Housing Organisations,
- DTI: Mr Butcher lunches with Technical Press; later speaks at design press event, London
- HO: Mr Patten visits Inner London Probation Service
- HO: Earl of Caithness visits Edgbaston Cricket Ground; later visits Exeter Prison

MINISTERS (OVERSEAS VISITS)

FCO: Sir Geoffrey Howe departs for Denmark (to 24 July)

MINISTERS (MEDIA INTERVIEWS)

- DOE: Mr Howard interviewed by Radio London on community charges
- HO: Mrs Renton meets Tyne Tees TV

TV AND RADIO

- "You and Yours", BBC Radio 4 (1200) looks at the difficulties women face in returning to work after a pregnancy.
- "This Week", ITV (2000) Investigates an alleged CIA arms operation, under which American missiles are supplied to Afghan guerillas.
- "Pete Murray's Nightline", LBC (2200). Alistair Graham of the Industrial Society in conversation with Geoffrey Goodman, LBC's industrial commentator, about the merit of scrapping traditional across—the-board pay rises in favour of an individual performance—related system.
- "Today in Parliament", BEC Radio 4 (2330)
- "Their Lordships' House", Channel 4 (0050)