# PRIME MINISTER

# MAIN EVENTS

PES Cabinet

Prime Minister attends dinner given by President of Turkey

Princess Royal attends Royal Veterinary College/Munich Veterinary School symposium, Munich

Australian Bicentennial Service, Westminster Abbey

John Spender MP, Australian Liberal Party Member, visits Northern Ireland

National Schizophrenia Fellowship conference (to 17 July)

Kensington by-election

British Rail report on Channel Tunnel link

## STATISTICS

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

DEM: Labour market statistics: unemployment and vacancies (June-prov);

average earnings indices (May-prov); employment, hours,

productivity and unit wage costs; industrial disputes

DTI: Provisional figures of vehicle production (June)

NIO: Unemployment Statistics

#### **PUBLICATIONS**

HO: Gaming Board annual report 1987

#### PARLIAMENT

#### Commons

Questions: Treasury; Home Office; Prime Minister

Business: Finance (No 2) Bill: Completion of Remaining Stages

Motion on the Redundant Mineworkers' Concessionary Coal

(Payments Schemes) (Amendment) Order

Motion on the Army, Air Force and Naval Discipline Acts

(Continuation) Order

Adjournment Debate: Public bus transport in London (Mr J Fraser)

Lords: Starred Questions

Health and Medicine Bill: Committee (1st Day)

## Lords: (Cont'd)

Docks and Harbours (Rateable Values)(Amendment) Order 1988:
Motion for Approval
EUMETSAT (Immunities and Privileges) Order 1988: Motion for
Approval
EUTELSAT (Immunities and Privileges) Order 1988: Motion for
Approval

MINISTERS - See Annex

<u>Guardian</u> Marplan poll suggest Conservative lead of only 2% - a narrowing from last month's 5%.

DTI officials to return to Brussels to try to sort out BAe concerns which cause a last minute hitch to Rover deal after Lord Young had signed it. Bryan Gould says it is an unholy mess.

Express leads with "Government plunged into crisis".

21 rescued from helicopter which lands in sea off Shetland with engines on fire.

North Sea oil expert claims metal fatigue was almost certainly responsible for Piper oil platform explosion and accuses companies of failing to face up to solution of corrosion (Mirror).

Some reports that Red Adair is losing battle to cap Piper oilwells.

Safety protests in oil fields grow as union leaders consider calling out 20,000 workers on indefinite strike over Government's refusal to let them have copy of 1984 explosion report.

Army concerned at the ease with which IRA planted a bomb at West German base where 9 soldiers were injured in blast which blows hole in barrack block. Labour MP calls on George Younger to resign.

Fears that an IRA group is operating out of Holland.

Organisation of Martyrs of the Popular Revolution in Palestine claims responsibility for Greek terrorist outrage. Girl photographed with alleged terrorist and believed to be one herself, actually killed in attack.

Greek air traffic controllers end their strike but <u>Today</u> say package tour prices are to soar because of delays.

Cannister containing plutonium oxide found at low level nuclear waste site at Drigg, near Sellafield - BNFL says there has been no spread of radioactivity.

DHSS fears that 60 cervical smear tests cleared at Manchester's biggest laboratory are cancerous; procedures being tightened.

Berkeley Magnox power station to close and be dismantled - first of its kind to end its working life.

Sir Denis Rooke, British Gas, got a £74,228 pay rise last year. Prescott outraged: Company returns profit of £1,008million.

British Coal £540million in red, but Bob Haslam says it should break even this year.

Leon Brittan has been offered post of EC Commissioner in place of Lord Cockfield; he declines to comment.

You are urged to give nurses a pledge that their regrading will be fully funded by Government.

Forecasts of fall in house prices because first time buyers can't afford to buy (Times).

John Banham, CBI, says Budget tax cuts were a mistake whereas 4 months ago he said it was the Budget they had been waiting for (Mirror).

Kinnock has a rough time in Southern Africa, according to <u>Sun</u>; no-one there to greet him in Harare and during his tour of Botswana his audience laughed as he ranted.

Duke Hussey says political interference in BBC is not a new phenomenon but there was no way under his chairmanship it would cave in to pressure.

BBC attacked by police for its cruel handling of a rape episode in Eastenders; hundreds of viewers phone in to complain, too.

Kirklees Council to mount inquiry into Dewsbury school race row which is ended by High Court.

Government <u>not</u> to publish Burnage (Manchester) report on school where Asian boy was killed in racial trouble.

Thug who knifes policeman in back beaten senseless in Minehead by outraged shoppers.

Marre report proposes end to barristers' monopoly in Crown Court.

<u>Sun</u> claims a quarter of London's homeless are from Irish Republic and suggests we pay their fare back to Emerald Isle.

Adam Smith Institute suggests house prices will soar 20% as a result of community charge.

Compromise looks on the cards in big row in Football League over TV contracts and risk of breakaway superleague.

Chelsea AFC fined £75,000 by FA for failing to control supporters after riot against Middlesbrough supporters in May.

Auberon Waugh, in <u>Mail</u>, suggests John Wakeham, chairman of alcohol abuse committee, is the most embarrassed Minister of the week for telling the truth - drinking in moderation is good for you.

Dukakis angers blacks over his treatment of Jackson on selection of running mate.

<u>Mail</u> claims religion is rising in Britain on wave of revulsion against permissiveness.

Greece, in what is seen as negotiating tactic, gives America 2 years' notice to close military bases and leave country.

South Africa has agreed in principle with Angola, Cuba and the United States to withdraw from Namibia (<u>Independent</u>).

### IRA BOMBING

<u>Star</u> asks why our soldiers were exposed to incredible gaps in security, and why is it that Holland has allowed itself to become a base for IRA?

## PIPER OIL PLATFORM

Mirror leader says the more we hear about the tragedy the more it is clear it was a disaster waiting to happen. In spite of repeated warnings, the rigs are not safe enough. All rigs should now be inspected immediately for corrosion and if necessary some must be shut down.

Paul Foot, in <u>Mirror</u>, says that 21 years ago oil engineers admitted there was "absolutely nothing" they could do to protect rig workers from a major fire but that such a fire was "very remote".

<u>Times</u> - Workers on Shell platform put on red alert 24 hours before the disaster on board Piper Alpha near by after an explosion in a gas compression module.

<u>Times</u> - Surgeon calls for national team of surgeons who could be called at short notice when such disasters occur.

## INDUSTRY

<u>Sun</u> says one man cost the British taxpayer more than £100million last year - Scargill, through his wildcat strikes and overtime bans. It suggests every taxpayer should write to demand £2 from him.

Express says Britain's industrial relations record has improved out of all recognition, but no thanks to Scargill and pit deputies. This partly accounts for British Coal's overall loss after operating profit of £216million. Only when coal is in private hands will the country get the industry it deserves.

<u>Times</u> - More rail chaos expected as NUR call two more one-day strikes over pay offer for telecommunications staff.

<u>FT</u> - Australia's largest food group considers bid for Rank Hovis McDougall.

FT - CBI's John Banham repeats call for European rules on takeover bids.

 $\overline{\text{FT}}$  - Employment growth in Britain since 1983 has been concentrated entirely in the south, according to Glasgow University.

<u>Independent</u> - Water authorities likely to be sold in one £5billion flotation.

### ROVER

Today says British taxpayers owe Commissioner Sutherland a rousing cheer. Government has only itself to blame for getting into this pickle. It let MPs of all parties bully it into going for British solution. Simple way out: auction Rover. Time is long past when countries should see ownership of a major car firm as national virility symbol.

Express says thanks to the interference of the EC the deal is not signed. And it is ironic the man most embarrassed is Lord Young who spends so much time urging businessmen to be aware of the intricacies and potential of the single market. If this fails the Government should seek another buyer.

<u>Times</u> - City observers surprised and baffled and EC officials astonished pointing out that the terms of the deal had been established with Lord Young - and presumably known to Professor Smith - 8 days ago.

<u>Times</u> - City braced for sharp fall in BAe share prices whether or not Rover deal goes ahead.

Comment in the Business pages of the <u>Times</u> says deal-a-day David, otherwise known as Lord Young of Graffham, has met his match in Professor Smith. The deal of the decade has turned into the debacle of the day, if not the mess-up of the month. At first sight Professor Smith's decision might appear little more than sheer brickmanship, and so it may be. On the other hand it is more than likely that BAe is doing no more than protecting its shareholders' interests.

FT page 1 lead - Rover deal talks to reopen as BAe disputes EC terms; difficulties are understood to have arisen concerning the hitherto secret five-year corporate plan, with Cowley assembly plant an obvious target for restructuring. A further announcement is possible before the end of the week. Lex says one is tempted to wonder whether institutional shareholders expressed a less relaxed view of the revised proposals.

<u>Telegraph</u> says the episode shows the wisdom of trying to extricate politicians from taking commercial decisions.

<u>Independent</u> - Government last night desperately trying to salvage deal after BAe had reservations about the package when they saw the detailed terms and conditions. Close colleagues blame Lord Young for the setback because of his characteristic haste to force a deal. 45 minute crisis meeting last night with BAe chairman.

## KINNOCK

<u>Sun</u> feature headed "Is Neil out on a limpopo?" Paranoid Labour insiders believe Kensington by-election date was chosen deliberately to embarrass Kinnock. But he is in his seventh heaven embracing guerrilla leaders.

<u>Times</u> - Kinnock explains that he is not a Christian because he is a bit short on forgiveness; says in Botswana that a Labour Government would increase aid by 2.5 times.

Paul Potts, in <u>Express</u>, says Kinnock stalwarts feel he needs to switch his image from stunts to substance.

<u>Telegraph</u> suggests that Kinnock on tour is running short of abuse for South Africans - and for yourself.

### LABOUR PARTY

<u>Sun</u> leader says Hattersley - "that bloated windbag" - has a cheek accusing Tories of building a society based on greed. Rich from a fat cat who wines and dines like there is no tomorrow. When did you last see Maggie at Ritz?

## POLITICS

FT - Peter Riddell speculates on ministerial reshuffle - mainly "second eleven stuff" with the possible exception of John Moore.

#### **ECONOMY**

- FT Greenspan urges caution as Fed raises growth expectations to between 2.75% and 3% this year.
- <u>FT</u> Cabinet will this morning confirm new public spending guidelines, with signs that Treasury might insist on more precise targets limited to previous spending plans in order to reassure markets and apply discipline.

## NHS

<u>Times</u> - Commons select committee agrees unanimously that they will reject most controversial changes that thave been suggested for NHS and argue that it is fundamentally sound.

### NURSES

Today says it is not surprising that the current regrading exercise should create a furore among nurses. They must understand that not all of them can expect the top increase of 21%, that would make nonsense of the whole exercise. But the Government must fully fund all legitimate rises.

<u>Times</u> - Government leaves door open for further central funding for nurses' pay after fears that the cost of restructuring clinical grades will exceed the £803million already allocated.

## COMMUNITY CHARGE

<u>Times</u> - Nicholas Ridley makes concessions over greater relief from community charge for charities.

### DEFENCE

 $\underline{\mathtt{Times}}$  - Commons Committee expresses dismay and concern over high costs and delays in Trident programme.

<u>Independent</u> - PAC has expressed "dismay and concern" at the lack of control over £lbillions worth of research being carried out at Aldermaston in preparation for Trident warhead production.

## LAW & ORDER

<u>Times</u> - Legal profession split over plan for solicitors to appear in crown courts; whole page devoted to the Marre report which leader describes as comfortable and conservative.

<u>Mail</u> thinks reforms proposed by Marre should make British justice cheaper and better. But we must strenuously avoid the American system of payment by results.

<u>FT</u> - Leader finds Lady Marre's report on the legal profession disappointing for not adopting a bolder and more forthright line on restrictive practices.

<u>Guardian</u> says there are big savings to be made out of solicitors' rights of audience and that is likely to be final arbiter.

<u>Telegraph</u> advises the Bar to embrace the idea of allowing solicitors to plead in Crown Court.

<u>Independent</u> - A report on the future of the legal profession <u>recommends</u> barristers should lose their monopoly right to appear as advocates in jury trials.

#### EDUCATION

<u>Times</u> leader on Dewsbury case says 12 months of acrimony have happened because somebody forgot to follow the rule over school admissions, a lesson that should be learned by all LEAs as they grapple with changes forced on them in the Education Reform Bill.

## MEDIA

<u>Times</u> - BBC chairman critical of Government's proposal to switch BBC2 to satellite saying viewers would have to pay much more.

<u>Times</u> - Britain's Cable TV set for £500million boom through US backing.

## TURKISH VISIT

 $\underline{FT}$  - Evren presses Turkey's bid for EC entry, though the subject was not on the official agenda of talks with you.

## WAR CRIMES

<u>Independent</u> - The War Crimes Inquiry now have evidence against 250 people living in Britain. The inquiry team will visit the Soviet Union next week to assess their evidence.

#### MINISTERS (UK VISITS, SPEECHES ETC)

MAFF: Mr MacGregor lunches with Anglian Water, London

DEM: Mr Cope addresses Isle of Dogs Training Fare 1988

DES: Mr Dunn visits St Agnes School, Barnet

DES: Lady Hooper visits Oxfam Education Centre, Stoke Newington

DHSS: Mr Newton addresses Independent Hospitals Association/NAHA

conference on collaboration and competition, London

DOE: Mrs Roe attends Rural Housing Seminar in Cambridge and visits

Brownsfield House

DTp: Mr Bottomley attends ROSPA conference, Manchester

OAL: Mr Luce visits Devon and Cornwall (arts) (to 15 July)

#### MINISTERS (OVERSEAS VISITS)

MAFF: Mr Thompson attends opening ceremony of the Third Joint Meeting of the Munich Veterinary Faculty of the Royal Veterinary College, Munich

### TV AND RADIO

"Today": BBC Radio 4 (6.30)

"Business Daily": C4 (12.30)

"The Parliament Programme": C4 (14.00)

"Pillars of Society": BBC Radio 4 (19/30) Repeated from Wednesday

"Comrades": BBC 2 (19.35) Repeat of series first shown in 1985 about life in the USSR. Part One: Educating Rita

"Analysis": BBC Radio 4 (20.15) Too Good to Be True. Has the economy really turned the corner?

"This Week": ITV (20.30) Breakdown in the Skies. Problems in the air traffic network over Europe

"Police Powers": BBC 2 (22.15) New series of six programmes on the police and public. Part One: The Police and Criminal Evidence Act 1984

"The World Tonight": BBC Radio 4 (22.30) followed by "The Financial World Tonight" and "Today in Parliament"

"The City Programme": ITV (22.35)

"Newsnight": BBC 2 (22.45)

"Esther Interviews": BBC 1 (22.50) Esther Rantzen and David Owen

\*News and Kensington By-election Special\*: BBC Radio 4 (midnight)

"Newsnight By-election Special": BBC 1 (00.05) Live coverage from Kensington