

MAIN EVENTS

Training Commission Chairmanship announced

STATISTICS

BSC/BISPA: Usable steel production (June)

CSO: Tax and price index (June)

DEM: Retail prices index (June)

PARLIAMENT

Commons

Business: There will be a debate on Hong Kong on a Motion for the
Adjournment

Adjournment Debate: Maternity Service in Bexley (Mr D Evennett)

Lords: Starred Questions

School Boards (Scotland) Bill: Second Reading

Debate to take note of ECC Report on Staffing of Community
Institutions

MINISTERS - See Annex

PRESS DIGEST

Conservatives win Kensington with a reduced majority - 4,447 down to 815 in 51% turnout.

Kensington poll cliff-hanger for Maggie as Tories just scrape home - Mail; Maggie wins by a whisker - Express; Kinnock in Shock Defeat - Sun; Tories scrape in at Kensington - Star; Tories hold Kensington with sharply reduced majority - FT; Labour chops Tory majority - a wholly unexpected political boost which brought Labour tantalisingly close to winning - Guardian.

Labour blames leadership row for not winning.

Result is huge relief for Labour as they increase share of votes by 5% - Times.

Rover/BAe deal gets go-ahead after EC clarification.

Most papers report your pledge on mortgage relief staying as long as you are Prime Minister; but some see it as reviving rift between you and the Chancellor.

Chancellor tells Cabinet public spending must be kept within strict limits.

You accuse Hattersley of trying to make trouble over nurses' pay as you refuse to pledge more money to meet cost of 16% award.

Kinnock calls for more military and economic aid for black nations facing "murderous" attacks from South Africa; but he gets cool ~~reception~~ reception from Mugabe.

Britain not been so busy for 14 years as production goes up and unemployment down - Mail.

Labour's chaotic defence policy turned inside out again as Martin O'Neill rejects unilateral nuclear disarmament - Express.

Leader in Mail says Leon Brittan should seize your offer to be a European Commissioner with both hands as he has missed the political boat here.

Sir Alan Walters is considering returning to No 10 later this year as your personal economic adviser. His return would be likely to complicate the Chancellor's efforts to maintain his policy of stabilising the pound - FT.

Thousands to face probe on cancer test errors in North West.

PRESS DIGEST

No end in sight to airports nightmare as some holidaymakers wait two days for flights to Greece. You give personal assurance to seek improvements in Europe's air traffic control - Express.

MPs call for Cleveland doctors Marietta Higgs and Geoffrey Wyatt to be charged with indecent assault and conspiracy.

SAS to wear heavy disguises to appear at Gibraltar inquest.

Law-breaking DIY stores are winning battle of the Sunday trading ban as councils are fed up of taking them to court - Today.

Parcel charges to rise by an average of 5.1% from September.

Survivors and relations of victims of Piper Alpha disaster to receive immediate £3,500 payments from fund.

Russia gives British Government list of 110 alleged Nazi war criminals believed to be living here.

Rodney Tyler writes a two-page feature on Mark in the Mail under the heading "How Mark Thatcher found the fast lane to happiness".

British Rail plans London to Paris in 2.5 hours by way of Chunnel.

UN support as Bush pins blame for Airbus disaster on Iran.

Millions of US blacks may boycott Presidential election in protest of Jackson not being chosen as Dukakis' running mate - Express.

Frank Bruno to get a £1million chance to fight Mike Tyson for world heavyweight title in September at Wembley.

Colin Cowdrey's son Chris to captain cricket Test team.

Rusty rare 1936 Mercedes fetches £1.5million after standing for 30 years.

ROVER/BAe

Mail - In another boost for Conservatives, Rover/BAe deal was back on last night after victory over Common Market red tape.

Express - Trouble-shooter Lord Young pulls off a dramatic deal.

PRESS DIGEST

Paul Potts in the Express looks at the story behind the dramatic rescue saying the speed with which the Rover/BAe deal was reassembled owes everything to politics and little to economics. You have overcome your short term political problem and Lord Young's star can remain in the ascendancy. But the losers are relations between the Government and the Common Market.

Sun - Lord Young wins his battle to sell Rover.

Mirror - Government salvages its give-away sell-off of Rover.

Today - Rover deal go-ahead at cost of 4,000 jobs.

Telegraph - Rover takeover deal agreed after day of haggling as Brussels yields over terms for BAe.

Times page 1 lead - BAe purchase of Rover cars to go ahead. Aerospace group "absolutely happy" after clarification of terms. Leader verdict is that the deal is good for Rover. But the real warning of the affair is that too many politicians and industrialists seem utterly unaware of the European dimension. Lord Young deserves praise for his cool and informed explanation of the Rover case this week.

Independent - Agreement reached after Commission makes it clear that the terms will allow BAe flexibility over the implementation of the Rover corporate plan. It appears that BAe has won a much greater degree of independence than was originally envisaged. Government also believes it has won a significant tax concession for BAe; leader says European Commission emerges from the very public struggle as a welcome defender of the British taxpayer. In 1992 if all technical, fiscal and other non-tariff barriers are removed from trade between members, state subsidies will be the only way of keeping uncompetitive industries alive. In preventing such distortions the Commission already acts as the executive of an embryo European government.

FT page 1 lead - BAe agrees to proceed with Rover takeover after Brussels talks. Lex column says BAe has clearly been subjected to some ferocious arm twisting and predicts that share dealing will go badly today.

Guardian - Government averts political crisis by pulling the Rover/BAe takeover back from the brink of collapse.

PRESS DIGESTECONOMY

Express - Booming Britain got a bumper bundle of good news yesterday - dole queues slashed again; output rises as costs drop; strikes hit 50-year low; leader says the booming economy has passed another milestone but controlling spending is one area in which the Government has failed. Until it does the economy will never reach its real potential.

Sales joy as boom goes on - Sun.

Telegraph - Chancellor warns Cabinet not to jeopardise economic recovery by letting public spending surge out of control.

Independent - Cabinet agrees to "keep as close as possible" to its public spending plans for the next 3 years. This should allow spending Departments to coax an extra £2billion to £3billion out of the Treasury.

Times - Rise in spending signalled, as Government backs away from firm commitment to hold expenditure to the Treasury target.

Sun leader looks at the healthy economy asking where's this paradise - West Germany, Japan, Hong Kong? No, its Great Britain 1988. We kid you not, folks.

FT - Leading US banks raise corporate prime lending rates to 9.5%.

FT - Britain's exceptional economic growth rate highlighted by string of official statistics; but markets are wary of inflation. Leader says news is decidedly good; and will only prove disturbingly good if the Chancellor fails to maintain a secure lid on inflationary pressures.

FT - Cabinet agrees guidelines for forthcoming discussion of public spending. Faced with bids for an additional £8-9billion, it confirms strategy of aiming for a reduction in the share of public spending in national income.

MORTGAGES

Sun - You tell Chancellor to lay off home buyers' mortgage tax relief minutes after he had told MPs he wanted to end it in last Budget.

Today - Thatcher gives pledge of mortgage tax relief "Over My Dead Body".

PRESS DIGEST

Telegraph - Tension between you and Chancellor over mortgage tax relief surfaced in Commons yesterday.

Mail - The argument between you and the Chancellor about who calls the tune on financial policy appeared to surface again last night - this time over mortgages.

Express - You had good news for home buyers yesterday when you pledged that you would never scrap mortgage tax relief.

POLITICS

Guardian sketch reports that you were weak, stumbling and hoarse in the Commons for Question Time. The Iron Lady was showing uncharacteristic signs of metal fatigue. The official explanation is that she has a cold; but from the gallery it is clear she has gone down with a terrible case of the politician's dreaded lurgy - foot-in-mouth disease.

FINANCE BILL

Independent - Labour is to make a formal complaint to the Commons Committee of Privileges that Conservative MPs have been tabling amendments to the Finance Bill on behalf of business interests.

LAW & ORDER

Mail - John Patten says parents must face up to crimes of their children or find themselves in the dock.

Leader in Express says it is entirely right that parents should pay for the wrongdoings of their offspring.

Telegraph - Government tells courts they should force parents to face up to their responsibilities when their children go off the rails.

Telegraph - Laws on intestate inheritance may face shake-up.

Independent - Chinese Triad gangs are believed to be moving into drug-running after a 12 year break.

TERRORISM

Independent - Suspected Palestinian terrorist Mohemmed Rashid, whose case many believe is linked to Monday's attack on a Greek cruise ship, was yesterday sentenced to 7 months imprisonment by an Athens court.

PRESS DIGESTKINNOCK'S TOUR

Sun - Black Africa's top Marxist, Robert Mugabe, tells Kinnock "You're wasting your time". The country's national newspaper "The Herald" - directly controlled by Mugabe, said Kinnock was a NO-hoper, who had NO chance of ousting "Empress Maggie" and NO prospect of putting his anti-apartheid policies into action; leader says so much for Kinnock's barn-storming tour of black Africa. Mr Mugabe obviously knows him only too well.

Times - Kinnock, in Zimbabwe, accuses you of deviousness and hypocrisy over sanctions against South Africa.

Independent - Your policy on Southern Africa is devious, hypocritical and a failure according to Kinnock.

PIPER ALPHA DISASTER

Times - Unions will call for Health and Safety at Work Act 1974 to apply to offshore installations when they meet Cecil Parkinson next week.

Independent - An official of the electricians union, 12 of whose members died at Piper Alpha, was excluded from a union management meeting on oil rig safety yesterday because of EETPU's suspension from the TUC.

Independent - Piper Alpha - terms of reference of inquiry announced.

ENERGY

Guardian - Cecil Parkinson will be embarrassed by highly critical assessment of Government's plans to privatise the electricity industry which is to be published by Tory-controlled Select Committee on Energy.

Guardian - Corrosion faults discovered in one of two nuclear reactors at Dungeness A power station.

INDUSTRY

Telegraph - Electricians accuse TUC boss, Norman Willis, of mischief making by sending one-sided account of their suspension to employers.

Telegraph - Harland & Wolff losses cut by two-thirds to £25.1million.

PRESS DIGEST

Telegraph - Super Secretaries conference told that secretaries who want to get management posts should resist pouring coffee, pretend they do not know how to type and desist from wearing see-through blouses.

Times - DTI under fire after it informs trade and industry select committee that it mounts full investigations of only a quarter of the complaints it receives about companies.

Times - Harland & Wolff applies for grants of £100million as part of detailed costings to build Ravi Tikkoo's "Ultimate Dream".

Independent - Harland & Wolff package deal likely in September. Discussions are continuing with Ravi Tikkoo.

BRITISH RAIL

Independent - BR yesterday outlined 3 alternative routes for a potential new high speed link to Kent. Estimates for new route and terminal in London range from £725million to £1.2billion. Legislation would be required before building could begin.

Independent - BR write to 9000 managers asking them to ignore their union and sign individual contracts linking pay to performance otherwise they will forego 9% pay increases.

UNEMPLOYMENT

Independent - 100,000 under-18s will be excluded from jobless figures from October making it highly likely that the total will be near or below two million by the end of the year. Virtually no school-leaver will henceforth be regarded as unemployed.

NURSES' PAY

Independent - Pressure is mounting on Government to provide extra money to fund the nurses' pay award after you rebuffed demands for immediate extra cash by saying the allocation of £803million had been agreed with health authority chairman and the nurses pay review board.

COUNCIL HOUSES

Independent - Council house tenants in Gloucester are fighting the city councils plan to sell off its entire stock to a private landlord.

PRESS DIGESTEDUCATION

Independent - Association of County Councils claims the new GCSE fails to cater for less able children.

DEFENCE

Star - MoD brings in American truck rental firm for £1million to take our armoured cars round Germany.

SPORT

Mirror - Chelsea soccer club to lose Stamford Bridge ground at end of next season as it is to become a £150million housing estate.

ENVIRONMENT

FT - Ridley turns down plans for shopping centre at Wimbledon.

MEDIA

FT - Football League ignores ITV soccer offer of £52million. A BSB offer worth £155million over 10 years is likely to be accepted at a meeting today.

TRANSPORT

Times - Worse flights chaos to come, as Italian and French air traffic controllers reduce number of jets permitted in air space and threaten action.

Times - EC Commissioner for Transport, Stanley Clinton Davies, calls for a single air traffic control system in Europe.

RACE RELATIONS

Independent - Estate agents, Richard Barclay, have been found guilty by the CRE of discriminating against Asian clients on the basis of "crude racial stereotyping" - by not showing them to properties in various "gentified" areas of Clapham.

GIBRALTAR

Times - Government may bar SAS witnesses. Whitehall sources say you and other senior ministers are seriously concerned about their appearance under the terms set by the coroner. The seven men are still taking advice and their decision is expected to be conveyed to the Government next week.

PRESS DIGESTIRAN AIRBUS

Independent - EC silenced by Britain on Airbus after we forced the withdrawal of a statement deploring the shooting down of the Airbus by the US because we thought the statement insufficiently pro-American.

USA

Independent - Bush moves ahead of Dukakis in the polls taken before Dukakis announced his running mate or Bush spoke at the UN.

SOUTH AFRICA

Guardian - South Africa bans pop concert which would have celebrated Mandela's 70th birthday.

Guardian - Government is preparing a statement on Monday which could reveal that pressure on South Africa has led to permission for a senior official - the British Ambassador - to visit Nelson Mandela.

TURKEY

Independent - Leader says Turkey for all its successes is not European - it does not, yet, share the social and political norms of European countries.

HONG KONG

Guardian - Public opinion in Hong Kong will watch today's parliamentary debate to see whether the British Government is willing at last to criticise the Chinese "Basic Law".

CAMBODIA

Independent - China is against the Khmer Rouge taking power in Cambodia according to assurances given to George Shultz.

EAST/WEST

FT - Mitterand welcomes Gorbachev proposal for a pan-European summit aimed at reducing conventional arms.

MINISTERS (UK VISITS, SPEECHES ETC)

DEM: Mr Fowler makes presentations to 10,000th EAS participant, West Midlands Jobcentre

DES: Mr Baker gives closing address to CLEA conference

DTp: Mr Channon addresses Luton Airport Anniversary lunch

DEM: Mr Cope addresses BIC/Shell conference on EAS

DES: Mr Jackson addresses Association of Graduate Recruiters annual conference, Loughborough University

DHSS: Mrs Currie opens Lifestyle '88 Health and Leisure initiative and visits Boots plc, Nottingham

DHSS: Mr Newton addresses National Children's Bureau, Notts

DHSS: Lord Skelmersdale visits Institute of National Biological Standards Board

DOE: Lord Caithness visits Abberton Reservoir and Blackwater Estuary Nature Conservancy Council site; also opens Chelmsford Sewage Works in Essex

DOE: Mr Chope visits Newcastle (PSA)

DOE: Mrs Roe visits the Isle of Wight (housing)

DTp: Mr Bottomley opens the A47 Melbourne Bypass, Cambridgeshire

HMT: Mr Lawson opens New King's Beam House, London

HO: Mr Hogg visits Ashwell open prison

MAFF: Baroness Trumpington visits Kent County Show

WO: Mr Grist addresses Welsh Housing Association Council conference, Swansea

WO: Mr Roberts opens Mid Wales Yarns Factory and attends Mid Wales Development Board Meeting, Llandrindod Wells

MINISTERS (OVERSEAS VISITS)

MAFF: Mr Thompson visits Pig Farm and Slaughterhouse; later talks with representatives of Swed Fleisch Meat Distribution company, attends lunch and visits Dairy Farm, Munich

TV AND RADIO

"Today": BBC Radio 4 (6.30)

"My Country Right or Wrong": BBC Radio 4 (11.00) Accountability of MI5 and MI6

"Business Daily" C4 (12.30)

"The Parliament Programme": C4 (14.00)

"Ebony": BBC 2 (19.30) Examines the Home Office's efforts to eradicate racism from the prison service

"Reagan on Reagan": C4 (20.15) Walking Tall. Second in series of three programmes

"Any Questions?" BBC Radio 4 (20.20) with Brenda Dean, Louis Blom-Cooper, Lord Marsh and Jill Knight

"Law in Action": BBC Radio 4 (20.05) Issues from the courts and Parliament

"Open Space": BBC 2 (21.30) Two films showing day to day, life inside a prison

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

"Newsnight": BBC 2 (22.50)

"The Week in the Lords": BBC 2 (23.40)
