PRIME MINISTER

MAIN EVENTS

The Queen visits HMS Warrior, the Mary Rose Exhibition and Ship Hall at Portsmouth Harbour, before embarking in HMS Britannia

The Duke of Edinburgh attends an International Fellowship lunch in New York, USA

EC: European Parliament Plenary, Strasbourg (to 26 May)

EC: Foreign Affairs Council, Brussels (to 23 May)

EC: Education Council, Brussels

EC: Tourism Ministers Seminar, Lanzarote

Communication Managers' Association annual conference, Winter Garden, Eastbourne (to 26 May)

Bahramian Defence Minister visits UK (to 26 May)

Lohnro contempt hearings begin in House of Lords

STATISTICS

CSO: Cyclical indicators for the UK economy (Apr.)

PUBLICATIONS

DEM/HSE: Launch of new HSE 'Day on the Farm' safety pack, Royal Agricultural Show

DES: HMI Report on education for the under fives

DTp: Investment for Roads Green Paper

PARLIAMENT

Commons

Ouestions: Social Security; Transport; Wales

Business: Motion for the Spring Adjournment, for three hours

National Maritime Museum Bill (Lords): Remaining Stages
Civil Aviation (Air Navigation Charges) Bill (Lords): Remaining

Stages

Atomic Energy Bill (Lords): Remaining Stages

Motion on the Financial Provisions (Northern Ireland) Order

Human Organ Transplants Bill: Money Resolution

PARLIAMENT (cont'd)

Adjournment Debates: Planning Policy with respect to recreational land (Mr

J Sayeed)

Select Committees: HOME AFFAIRS

Subject: Annual Report of the Police Complaints

Authority

Witness: Sir Cecil Clothier, KCB, QC, Chairman,

Police Complaints Authority

PUBLIC ACCOUNTS

Subject: Ministry of Defence Manpower Witness: Sir Michael Quinian, KCB

Permanent Under-Secretary of State, Ministry of

Defence

ENVIRONMENT

Subject: Contaminated Land

Witnesses: Department of the Environment officials

Lords: Starred Questions

Prisons (Scotland) Bill (HL) (Consolidation): Third

Reading

Water Bill: Committee (7th Day)
Summer Time Order 1989: Motion for Approval.

Social Security Miscellaneous Provisions Regulations 1989:

Motion for Approval

Main News

People power defies troops in Peking - are Deng and Premier Li on their way out after threatened suppression of demo fails to materialise and students remain in control of Peking? Tourists and businessmen warned to stay out.

<u>Sun</u> says that in all her long history of civilisation the Chinese people have never known liberty, but in the end they will prevail over bayonets and tanks.

Failure of Army to act suggests deep splits in leadership.

Huge crowds in Hong Kong and Moscow echo call of people of China for more democracy.

Independent leader asks whether the Government will still work
towards handing over Hong Kong to a China so transparently ruled,
not by laws, but by power struggles.

Opposition want to know why you kicked out 11 (plus 3) Russians without telling anyone until Russians retaliated.

Russians previously warned about the unacceptable level of KGB activity in UK.

Expulsion seen as a threat to Queen's trip.

Pound faces another bad week in the foreign exchange markets after shedding 5 cents against the dollar last week (Times).

Mail foreshadows £2billion trade deficit on Thursday.

<u>Times</u> says motor industry gives crushing blow to Government hopes of closing trade gap by disclosing record deficit as car imports hit £1.65billion in first quarter.

Bush accepts principle of talks as short range nuclear missiles and leaves us odd man out in NATO.

Chancellor Kohl will telephone you this morning to try yet again to persuade you to accept the principle of negotiations with Soviet Union on short range nuclear weapons (Times).

President Bush, according to <u>Times</u>, delivers stern lecture to Western allies on danger of complacency in the face of continuing Soviet threat, and promises that the US will maintain modern nuclear weapons in Europe as a vital symbol of its commitment to the continent.

<u>Independent</u> claims an end to the missiles dispute is in sight as Stoltenberg visit to Washington puts the US "very very close" with the West Germans on the issue.

Fears of all round consequences for pay settlements after 9.2% offer, recommended for acceptance, to power workers. <u>Telegraph</u> regards with scepticism idea electricity settlement will lead to greater efficiency.

Government sources say wage demands must be modified if inflation is to be curbed (Times).

Rail and engineering workers call for higher pay offers in the wake of the 9.2% increase won by power workers (Independent).

Talks to try to avert Tube strike tomorrow seem doomed.

You are to launch today what promises to be the most bitterly contested Euro-election campaign since we joined EC (Times).

<u>Times</u> suggests we have accepted Delors report as basis for progress towards economic monetary union.

Claims that you apologised to the Chancellor for your BBC broadcast remarks on where we picked up inflation. John Smith urges Chancellor to go before he is pushed.

Express wants to know what you are doing apologising to the Chancellor. It would have been better if you had not committed the gaffe in the first place. But we are nonetheless suffering the inflationary consequences of the Chancellor's exchange rate policy.

Your comments on the causes of Britain's current 8% inflation are symptomatic of an increasingly critical scrutiny of the Chancellor's record (FT).

Kinnock says the end of the union block vote is on the way - though he doesn't say when.

<u>Sun</u> says Kinnock yesterday admitted he would negotiate away our nuclear arsenal even if Gaddaffi acquired the bomb.

MSF, successor to ASTMS, comes out against new defence policy. But NUPE's leaders back it.

David Owen describes Labour Party's new policies as a respray, but wins backing for a coalition with them.

Kinnock accuses you of talking green and acting dirty on the environment (Independent).

Figures to be published by MAFF this week that Britain has saved more than £600million in spending under the Common Agricultural Policy over past two years (<u>Times</u>).

The Stock Exchange faces further erosion of its role as a central market if it does not remedy some of its serious flaws, according to a report by Touche Ross (\underline{FT}). A second report also recommends improvements.

DTI having talks with TNT transport company about competitive postal service because of dissatisfaction with that provided by Post Office.

Worsening post said to be costing business £4billion a year.

Mail Users Association calls for Post Office sell-off in fierce attack on mail service (<u>Independent</u>).

Institute for Economic Affairs says British Telecom has at least 75,000 more staff than its network size warrants (Times).

Manufacturers Hanover promotes plan to build underground link from Channel Tunnel to Rainham Marshes in Essex as £2.5billion alternative to B/Rail route to Waterloo (Independent).

Homeowners will spend an estimated £14billion this year on home improvements, much of it instead of moving house (Times).

D/Transport to move 100 civil service jobs to Nottingham (\underline{FT}) .

MOD talks with GEC and Siemens on Plessey nearly completed (FT).

Nearly half plants at average garden centre are wrongly named, according to survey.

Some airlines say cabin staff too old at 35 ($\underline{\text{Times}}$).

D/Environment making a series of changes to its water sell-off plans to reduce the profit risks to privatised water authorities and avoid announcing politically unacceptable increases in water and sewerage prices in advance (<u>Times</u>).

Britain's clean beaches untested for virus risk (Times).

Tidy Britain Group gives league table of litter fines with Cumbria at the top with 296 in 1987, and Cambridgeshire at the bottom with 9 (<u>Times</u>).

Health Authorities warn that Government's plans for NHS reform cannot be properly assessed without a decision on the future of community care (<u>Independent</u>).

Jack Ashley blames D/Health and Health Authorities for not advising women injured by Dalkon Shield contraceptives of compensation claim deadlines (<u>Independent</u>).

Peter Bottomley to issue libel writ against <u>Mail on Sunday</u> for story linking him with sex scandal at children's home; Scotland Yard issues statement saying they merely saw him to inform him that unfounded allegations were being made against him.

Judges to strongly oppose Government's plans for legal reform $(\underline{\mathtt{Times}})$.

Kenneth Baker expected to block £160million language plan at EC meeting ($\underline{\text{Times}}$).

<u>Today</u>, trying to drum up business for Sky, offers 10,000 satellite dishes and tries to make out its to enlarge its readers' lives!

Peter Hennessy, in the <u>Independent</u>; looks at Des Wilson's new campaign to reform the Lobby system, which claims to have the overwhelming support of most backbenchers.

Mr Shamir can expect a courteous welcome to his controversial plan for elections in the occupied territories when he meets you today (<u>Times</u>). Barbara Amiel, in the <u>Times</u>, looks at Arafat's empty promises.

Shamir threatens to resign if Lukud's central committee does not endorse his Middle East initiative (Independent).

Free Presbyterian Church of Scotland deeply divided after suspension of Lord Mackay as it prepares for tomorrow's annual synod (<u>Independent</u>).

Bishop of Stepney seeks Home Office help for refugee Kurds, as Home Office indicates visa restrictions may be imposed (Independent).

Film star, Mickey Rourke, claims he has given £3million of his earnings to IRA.

More calls for Britain to stop ivory trade to save elephants from slaughter. <u>Mail</u> leader wants you to act to make elephant an endangered species.

Liverpool win FA Cup.

Canada and the US are seeking negotiations to limit subsidies on export credits to developing countries (FT).

President Alfonsin on verge of stepping down six months early in favour of Carlos Menem (Independent).

TIT FOR TAT EXPULSIONS

<u>Star</u> says nobody doubts the sincerety of Gorbachev's dream of glasnost. But this spy row has surely rocked the boat. It seems that even Gorbachev is unaware of the scale of KGB operations.

<u>Sun</u> says Russia publicly embarrassed you by expelling 14 British diplomats and journalists in trumped up spying charges.

Express says apparently the Gorbachev charm offensive entails no slackening of the long running dirty tricks offensive. We throw out real spies, Russians just pull names out of a hat.

<u>Mail</u> says if that most unparanoid of Foreign Secretaries discreetly kicks out 14 Soviets as spies you can bet your bottom rouble that is what they were. The tit for tat shows that Kremlin's cold war reflex actions are still in twitching order.

Times - Britain attempts to limit the damage to its relations with the Kremlin over explusion. Whitehall had been prepared to keep affair secret, but this became impossible after Soviet Union retaliated. Leader says the Soviets' retaliation will come as a cold shower to those who claim to have seen the end of the cold war. "Tit for Tat" acts may appear to be a part of the past. They can more appropriately be seen as a sign of how little has changed in the land of glasnost.

Telegraph leader under heading "The same old story" says the expulsions from Britain show that in the world of espionage at least glasnost and perestroika have made little difference to the way Russians do business with the outside world. The feeling is reinforced by the tit for tat expulsions. Espionage will remain a potential irritant so long as Government allows an excessive number of Russians, over 200, to remain here as State officials.

Guardian says it is right to condemn the Soviet Government for throwing out people guilty of nothing more than doing their jobs as diplomats and journalists. But our own government is no innocent in the matter. There is quite a lot of old thinking about in both the Soviet Union and the UK.

Independent - Anglo-Soviet spy row most serious since two-stage expulsions in 1985. Your personal appeal to Gorbachev while he was in London fails to work. Foreign Secretary indicates end of the matter. Leader says the expulsions of the Soviet spies were justified: the security of the state is more important than a deterioration in our relations or the quality of news reporting from Moscow. But it criticises the Foreign Secretary for the secretive nature of the Soviet expulsions, thus leaving the initiative with the Soviet authorities.

EC/INFLATION

<u>Sun</u> leader says Chancellor is a touchy chap. He persuades Downing Street to make it clear that he is not being blamed for mounting inflation. Well, someone got it wrong and he is the Chancellor. The country's well-being comes ahead of hurt feelings.

<u>Times</u> - You have acted quickly to defuse potential disastrous dispute with Chancellor, but Ted Heath expected to provide Labour with fresh ammunition in speech next week attacking you.

<u>Independent</u> - You launch the Tory EC campaign against a background of government division and disarray, and Delors' accusation of hyper-nationalism. Chancellor indicates you may have to decide whether to join the process of monetary union or risk being frozen out (<u>Independent</u>).

MINISTERS (UK VISITS, SPEECHES ETC)

DTI: Mr Newton launches National Council for Voluntary Organisations Corporate Application Scheme

HO: Mr Hurd accompanies The Queen on a visit to the Channel Islands (to 25 May)

CO/OAL: Mr Luce addresses 10th Heritage Co-ordination Group annual conference, Tate Gallery, London; later addresses opening of Voluntary Service Overseas auction, London; later addresses Royal Society of Portrait Painters dinner, Mall Galleries, London

DII: Mr Mellor attends opening of Fulham Ambulance Station

DH: Mr Freeman launches Food Safety leaflet; later attends photocall for new NHS Policy Board

DOE: Mr Chope visits Doncaster and Lyndhouse Prison (PSA)

DOE: Mr Moynihan fishes River Test with World Fly Fishing Champion, Hampshire

DOE: Mrs Bottomley launches Recycling Sheffield; later opens Severn Side Waste Paper Ltd new premises, Sheffield

DTp: Mr Bottomley presents Don Safety Trophy awards, Café Royal,

DTp: Lord Brabazon opens Stansted Airport Cargo Terminal

DTp: Mr Portillo attends ECMT meeting, Edinburgh (to 26 May)

HO: Mr Hogg visits Arrest Referral pilot project, Southwark on Drugs

HO: Mr Renton visits Passport Office and Nationality Department, Liverpool (prov)

MINISTERS (OVERSEAS VISITS)

DES: Mr Baker attends the EC Education Council in Brussels

FCO: Mrs Chalker attends Foreign Affairs Council, Brussels (to 23 May)

MOD: Lord Trefgarne visits Canada and Korea (to 31 May)

ODA: Mr Patten attends EC Foreign Affairs Committee, Brussels (to 23 May)(prov)

MINISTERS (PRESS INTERVIEWS)

DEM: Mr Fowler lunches with Peter Hamilton of the Communications Group, English Garden Restaurant, London

TV AND RADIO

'Make way for the Lord Chancellor': Ch 4 (18.30). Interview with Lord MacKay

'The Cook Report': Thames (19.00). Investigates crooks and bungling

'Horizon": BBC 2 (20.10). The New Sixth Sense. A look at the new technology of biosensors in which Britain currently has a strong scientific lead

'World in Action": Thames (20.30)

'Panorama': BBC 1 (21.30. Punching Judy. A look at violence against women

'Psst-The Really Useful Guide to Alcohol": BBC 1 (22.55). A programme of advice on safe levels of consumption and the dangers of excess