MAIN EVENTS

Prime Minister meets Chinese Party Secretary

EC Industry Council, Luxembourg

EC Education Council, Luxembourg

EC Informal meeting Agriculture Ministers, The Hague (to June 10)

Sir Geoffrey Howe attends Eureka Conference, Scotland

European Parliament Plenary Session, Strasbourg (to June 13)

New GATT round Preparatory Committee, Geneva (to June 12)

ACAS Future Negotiating Machinery Group Meeting

Meeting of United Nations Development Programme, Geneva (Mr Raison attends)

Association of Municipal Engineers annual conference, Bournemouth (to June 13)

Society of Telecom Executives annual conference, Harrogate (to June 13)

Stella Artois Tennis Championships, Queen's Club (to June 15)

STATISTICS

DTI: Producers price index numbers (May-prov)

DTI: Credit business (April)

DTI: Retail sales (April-final)

PAY

DEM: Civil Service industrial grades; (105,000); substantial pay and allowances increase sought; settlement date 1.7.36

PARLIAMENT

Commons

Questions: Wales; Energy

Business: National Health Service (Amendment) Bill: Remaining Stages

Resolutions relating to the Finance Bill

Adjournment Debate

Rural bus services (Mr G Dickens)

Select Committees: PUBLIC ACCOUNTS

Subjects: Control of Local Authorities' Capital

Expenditure

Witness: Mr Terry Heiser, CB, Permanent Secretary,

Department of the Environment

TREASURY AND CIVIL SERVICE

Subject: Head of Government Accountancy Service

Witnesses: Mr A Wilson, Head of Government

Accountancy Service

Lords

Public Trustee and Administration of Funds Bill: Third Reading Family Law Bill: Committee
Dockyard Services Bill: Committee
British Shipbuilders (Borrowing Powers): Committee
Consumer Safety (Amendment) Bill Second Reading
Cutlery and Stainless Steel Flatware Industry (Scientific Research Levy) (Abolition) Order 1986: Motion for Approval.

Ministers' Visits - See Annex
Radio and TV - See Annex

PRESS DIGEST

SDP/ALLIANCE

- At loggerheads over nuclear defence policy Owen and Steel arguing in public.
- Steel says there will be profound damage if the Alliance goes into an election split on defence.
- Peter Walker says a vote for the Alliance would mean a vote for unilateralism since Owen would be defeated.
- D/Star says that slowly but surely the Alliance is being found out as a sham and not before time.
- <u>Sun</u> P4: "I could kill him" an alleged reference to Steel's exasperation with Owen; <u>Mirror</u> P2: "I could murder Owen".
- Today P6: Steel's fury over Dr No Alliance warned of disaster at the polls unless Owen backs down.
- Express has Steel doing his best to paper over the cracks; 83% of Liberal candidates against replacing Polaris, according to poll; leader says Owen may be right but he will pay dearly for it.
- <u>Mail</u> says Alliance is facing its biggest crisis in 5 years to the glee of the Government; Owen is castigated not only by Liberals but also by three other members of original Gang of Four.
- Telegraph: Steel warns Alliance on nuclear split.
- Guardian says Owen shows no sign of backing down and the nature of the report will leave Owen less isolated; Gang of Four trying to provide Owen with a graceful retreat; leader says the row is rather daft.

SOUTH AFRICA

- South African Government considering reimposing state of emergency.
- Pressure for sanctions grows Mail leader says if you don't impose sanctions there is the threat that the Commonwealth will break up to the great anxiety of the Queen. But Britain should resist moral blackmail by Commonwealth countries, many of which are no shining examples of democracy or racial equality.
- Telegraph leads with story on pressure build-up in deference to your views demands for restrictions on air services and curbs on imports and new investment will not be called sanctions.
- EC decides to take no further action until it hears the recommendations of the Commonwealth EPG.
- FT says EPG will say that a dialogue between blacks and whites has proved impossible to arrange and further joint measures may be required

AUSTRIA

- Waldheim easily wins presidency; "Nazi" wins race for president (Mirror).
- Today feature describes Waldheim as "The Pariah".
- <u>Mail</u> says British Labour MPs want Government to treat him as an outcast and to refuse him entry into Britain; leader, on his "bitter triumph", says he will be a lame duck president and like Austrian wine he will not travel.
- Telegraph leader says the war criminal accusations against Waldheim, a very junior Staff Officer, are grossly wrong headed; but Waldheim's response to campaign against him has been wrong too the truth had to be wrenched from him.
- Guardian finds Waldheim's election profoundly depressing and leaves a bitter after
 taste which will last a long time. His massage of his cv was a moral disqualification
 for the office he persisted in seeking the country's standing has been damaged.
- <u>Times</u> leads paper with a "resounding victory for Waldheim"; Israel reacts with sorrow and disappointment.

HIPPIES

- 2,000 said to be planning nude demo on Salisbury demanding their own festival site.
- Refusing to move from New Forest, though police move in this morning.
- Sun explains the Workforce idea as a means of beating hippies.
- Guardian says a Government working party has recommended a register of all social security claims by hippies.

ECONOMY

- Inflation to fall below 3% to 2.75% (Today); Mail says it is good news all the way for you this week on inflation, unemployment, strikes and mortgage rates are likely to drop too.
- Leon Britain wants new development agencies for run down parts of Britain says gulf between different parts of the country is unjust and divisive.
- Hattersley claims you are increasingly isolated over tax cuts.
- City University Business School says Labour would need to raise income tax to nearly 50% to avoid a return to double figure inflation as a consequence of its policies.
- Institute of Directors want UK to join EMS on July 1 when we take over Presidency.
- Sarah Hogg in <u>Times</u> says if Britain cannot match German cost control in next phase of expansion it is going to have a hard time earning its share of the cheap oil growth bonus.

PAY

- Disquiet over MPs 'feathering their own nest' with 21% increase over next 18 months.
- Anthony Beaumont-Dark says it is appalling to see MPs awarding themselves increases while urging restraint on everyone else.
- Jack Dormand, chairman of Labour's Backbenchers, warns of strong resistance to any move to break link with Civil Service pay.
- Express takes the view that if we wish to see the quality of our MPs improve we should also accept that better pay will attract better candidates.
- Telegraph: Pay restraint dented by 21% for MPs.
- Guardian kills the story with the Treasury pointing out that MPS are linked with the senior principal grade and this is likely to produce rises of little more than the rate of inflation.
- <u>Times</u> says substantial backdated pay rises for many NHS managers are being slipped through while doctors and nurses have had their pay frozen for 3 months.

INDUSTRY

- Ian Fraser, whose cut price furniture stores crashed owing £1m to customers, back in the business with 8000 creditors still demanding their money.
- Tory MEPs to try to persuade EuroParliament this week Cornish tin mining industry is a strategic industry which should be saved
- Government survey shows most of self employed are in the South of England.
- FT says British Gas is to be floated with £2.5bn debt.
- France may cut shipyard aid.

UNIONS

- Sun says breakaway UDM feels betrayed because under NCB rules+only members where UDM is in majority get a negotiated £5.50 increase. Ian MacGregor has an opportunity to right this wrong when he addresses the UDM next week.
- Rolls Royce aero engine workers in Derby to strike for 30 minutes today against privatisation; they want company to stay British.
- SOGAT thought likely to try to step up boycott against Murdoch papers; NGA allows its leaders £50,000 a week, by means of 50p levy, to sustain dispute by 53-47% vote; Telegraph says the Wapping pickets have an almost Thatcherite spirit of free enterprise, selling memorabilia from a stall.
- NU Seamen executive preserves Jim Slater's employment with union by recreating president's job for him.

MEDIA

- D/Star says you have secretly given the go-ahead for round the clock TV.
- Today claims first pictures out of Chernobyl [300 injured and 400 arrested on weekend of anti-nuclear demos in West Germany].
- Sport Aid claims BBC censored some of its promotional films.

LOCAL GOVERNMENT

- Lambeth's housing director sacked after 6 months - his wife is leading Black activist and former Lambeth councillor.

EDUCATION

- Express prints report by a research student on brain washing of British schoolchildren by Left wing teachers - now "commonplace"; leader says the report chillingly confirms what many parents have long suspected and underlines the need to ban classroom politicking.

HEALTH/WELFARE

- Mirror says a woman heart patient died because her family could not afford operation.
- Worries about aspirin helping to develop Rayes Syndrome, a killer disease, in children.
- Professor claims Whitehall uses Official Secrets Act to put pressure on doctors to keep quiet about issues affecting public health.

LAW AND ORDER

- Now Kaufman says Labour would maintain firm control over immigration in spite of Kinnock's pledge to scrap "racist" laws.
- Kinnock, in <u>Mirror</u>, says immigration laws must be firm but fair and this Government's laws are not fair; they discriminate in purpose and in practice.
- Today starts campaign against puppy farming.
- Prison Reform Trust claims that Britain has West Europe's highest rate of imprisonment.

NORTHERN IRELAND

- Police looking for a solicitor in connection with Irish gun gang incident in Mayfair; he was Enoch Powell's assistant for three years.
- Assistant Chief Constable of Greater Manchester to be told why he has been suspended today; <u>Today</u> says he caused fury in ranks of RUC by recommending two anti-terrorist units should be disbanded
- Labour Party National Women's conference joins party's Committee on Ireland in opposing leadership's support for Anglo-Irish Agreement.

SPORT

- Disquiet over England's World Cup performances in Mexico, with calls for replacement of manager Bobby Robson.
- Joey McLaoghlin first Briton to win Milk Race (cycling) for 10 years.
- Jon Akass, in Express, wants Minister for Sport to do something useful and resign he holds a pointless and ridiculous office.

RUSSIA

- Sun: wants us to beware the Russians offer to launch one of our spacemen it would give Kremlin a propaganca field day.
- Today however says the offer is worth looking at it presents an excellent opportunity for us to gain experience of manned flights.

MINSITERS (UK VISITS, SPEECHES ETC)

- DEM: Mr Clarke visits Notting Hill
- SO: Mr Rifkind addresses Aberdeen Chambers of Commerce; later gives interview to Grampian TV: visits Dril Quip, Aberdeen
- HMT: Mr Lawson addresses Bow Group
- DTI: Mr Channon names 'industrial year locomotive', Euston
- DTp: Mr Moore meets French Transport Minister, London
- MAFF: Mrs Fenner presents prizes for the livestock worrying competition, London; later meets Ivorian Minister Mr Bra Kanon
- DEM: Mr Lang visits Pinewood Studios
- DEM: Mr Trippier visits HSE, Bootle
- DEN: Mr Hunt addresses Monergy Seminar, Bristol Chamber of Commerce, Bristol
- DEN: Mr Goodlad addresses LEB, North Thames Gas and SEGAS on energy efficiency year
- HO: Mr Mellor opens new stage of drugs campaign, BAFTA
- DTI: Mr Clark attends lunch with Czech deputy Prime Minister; addresses European Business Institute
- DTp: Mr Bottomley visits Haringey 'Dial-a-Ride', London

MINISTERS (OVERSEAS VISITS)

- MAFF: Mr Jopling and Mr Gummer attend EC Informal Agriculture Council, The Hague (to June 10)
- MOD: Mr Younger visits Greece (to June 10)
- DES Mr Walden attends EC Education Council, Luxembourg
- FCO: Mrs Chalker departs Kinshasa for European Parliament, Strasbourg
- DTI: Mr Butcher visits Netherlands

TV AND RADIO

- "Money Box:; BBC Radio 4 (10.00): Repeat of Saturday's programme from Leeds.
- "The Marketing Mix" Channel 4 (1830): the techniques of exhibition and display
- "Panorama" BBC 1 (21.30): looks at public expenditure
- "World in Action" ITV (2130): The conditions in two Scottish mental hospitals