PRIME MINISTER

MAIN EVENTS

The Queen holds an Investiture at Buckingham Palace

TUC General Council

Prime Minister on Jimmy Young Programme

Prime Minister meets Chief Buthelezi and Dr Woerner

STATISTICS

CLSB: Quarterly house purchase finance statistics (2nd qtr)

DOE: Bricks and cement production and deliveries (2nd qtr prov)

DTI/CSO: Balance of payments current account and overseas trade figures

(June)

PUBLICATIONS

Annual review of Government funded research and development CO:

DHSS: Blood Tranfusion Service report

HO: HM Chief Inspector's Report on Hungerford shootings

HO: Review of Civil Defence College

PARLIAMENT

Commons

Scotland; Foreign and Commonwealth; Trade and Industry Questions:

10 Minute Rule Bull: Fuel and Energy Provison Business:

> Motion relating to the Statement of Changes in the Immigration Rules

Motion on the Police and Criminal Evidence Act 1984 (Codes

of Practice) Order

Motion relating to the Education (School Teachers' Pay and

Conditions) Order

Motion relating to the Building Societies (Transfer of

Business) Regulations

Motion to take note of EC Document on Social Legislation

relating to Road Transport

PARLIAMENT (Cont'd)

Adjournment Debate:

Implementation of the right to buy provision of the Housing Act 1980 in the London Borough of Camden (Sir G Finsberg)

Select Committees:

TRADE AND INDUSTRY Subject: Girobank

Witnesses: Post Office and Girobank Officials (at 10.30); Rt Hon Kenneth Clarke, QC, MP, Chancellor of the Duchy of Lancaster and Minister of Trade and Industry (at 11.15)

WELSH AFFAIRS

Subject: Inward Investment into Wales

Witness: Rt Hon Peter Walker MP, Secretary of State

for Wales

COMMITTEE ON AN UNOPPOSED PRIVATE BILL NORTHAMPTON BILL (Lords)

Lords:

Starred Questions

Electricity (Financial Provisions) Scotland Bill: Second Reading

and Remaining Stages

Housing (Scotland) Bill: Third Reading

Finance Bill: Second Reading and Remaining Bill

Code of Recommended Practice on Local Authority Publicity: Motion

for Approval

Pesticides (Maximum Residue Levels in Food) Regulations 1988:

Motion for Approval

Set-Aside Regulations 1988: Motion for Approval

UQ to ask HMG whether they will intervene to aid the British film industry to meet the threats arising from the sale of Elstree Studios and the activities of multi-national companies

MINISTERS - See Annex

<u>Guardian</u> says Conservative MPs - apart from Mr Heath - gave a general welcome to reshuffle.

Kenneth Clarke gets a good press, though with plenty of threats of trouble for him from Edwina Currie for his beer drinking and cigar smoking - and Today reports he is 3-1 favourite to succeed you.

<u>Guardian</u> leads with report that Government's NHS White Paper will only be "staging post" on road to more radical reform, including privatisation of hospitals.

<u>Sun</u> reports Ted Heath's constituents reacting badly to his further criticism of you and Government, including his own "proteges" whom he describes as "pygmy Cabinet". <u>Mail</u> says MPs are demanding Heath's resignation.

CBI says UK economy remains buoyant in output and demand with no change in inflation expectations.

Roy Hughes, Labour's Welsh Affairs spokesman resigns because he says he has no confidence in his No 1, Alan Williams. Others say Kinnock sacked him.

Express leader accuses Frank Dobson of "touching bottom" for accusing BBC, during a "rant in", of being State controlled because current and previous chairmen related to Government Ministers.

TUC bans single union no-strike deals.

<u>Telegraph</u> says Kinnock yesterday bowed to the inevitable and accepted his fight to retain Stanley Clinton Davis as EC Commissioner is lost.

Select Committee demands Government to compensate Barlow Clowes investors. MPs dismayed that liquidators seek limited City help for investors interim payment of 10p in pound mentioned by Receiver.

Sunday collection, and possibly delivery, of letters on the cards after Post Office devotes £40million of record trading profit of £212million to improvements. Editorials remain critical of postal service.

Select Committee calls for MMC investigation into alleged price fixing by petrol companies; they strenuously deny it.

Telegraph says MoD is considering declassifying HOTOL to allow other countries to exploit it.

DTI report into Fayed's bid for House of Fraser critical of takeover (Telegraph).

Agriculture Select Committee critical of Government's handling of Chernobyl over lamb and milk and for ignoring a hot spot in Yorkshire.

School inspectors say standards of teaching in more than a quarter of secondary schools are unsatisfactory and only half have notably good features. Period covered: 1982-86.

Paul Channon having talks with insurance companies to end arrangements by which driver banned for drink-driving can get a chauffeur.

Pressure on local authorities to be more responsible with cash increased yesterday as Government overhauled treatment of local spending in its accounts (Telegraph).

Sacked Brent Social Services director says the council is on the verge of chaos.

MORI survey says that fear of crime and violence in Britain is growing fast.

Much coverage of Lord Moynihan's supergrass role in the uncovering of one of the world's largest drug rings.

<u>Mail</u> leader calls for simplification of child law to help victims of broken homes.

TV-AM warned for second year running by IBA about poor quality of its programmes.

Lord Thomson, chairman of IBA, fears British TV standards will slump in forthcoming TV boom. Fears BBC will become sole source of public service broadcasting.

IBA disqualifies 3 adverts made by TUC to promote the unions as too political.

Channel 4 wants any Channel 5 competing with ITV to be required to subscribe to Channel 4.

British athletics bans leading pole vaulter for life after drugs test; he is to appeal.

Festival of London goes into voluntary liquidation after only 4 of 16 days because of poor attendances and weather.

Government taking first steps towards Anglo-Irish Parliamentary Council; John Wakeham holding talks at Westminster.

Zambia apologises to Britain after you were burned in effigy in Lusaka during Mandela demonstration.

Express suggests we are to reappoint a diplomat to Tehran.

Iraq-based anti-Iranian guerilla forces drive deep into Iran.

RESHUFFLE

<u>Today</u> gives Virginia Bottomley a centre page feature; leader on Eric Forth, described as a young version of Norman Tebbit, says he sounds just the sort of politician to sort out estate agents. He should go about this job swiftly. Page feature on Ken Clarke.

Express feature on Ken Clarke describes him as one of nature's lucky generals - in the right place at the right time. What is good for Clarke and the NHS is almost certainly good for the Tories.

Gordon Greig, in <u>Mail</u>, describes Kenneth Clarke as "the man for all reasons". You treat him like a rebellious nephew but you have <u>recog</u>nised in his untidy figure part of the group who can be entrusted to hold on to the inheritance you have created. He will be greeted with trepidation by the medical lobby since he smashed the opticians' monopoly.

<u>Mail</u> features how success has changed Virginia Bottomly - visually.

Telegraph feature on Kenneth Clarke headed "Shot in the arm for the NHS".

<u>Guardian</u> leader, in form of memo to Kenneth Clarke, says his first priority must be to improve the morale of NHS workers. Second is to restore public's faith in Service.

<u>Times</u> - Heath launches another vitriolic attack on you suggesting that you had now sacked all the people of talent within the Government. With some MPs saying he should lose the party whip Heath appears to be left friendless on the Tory backbenches.

<u>Times</u> - You completed your surprise summer reshuffle last night by appointing four new assistant whips.

<u>Times</u> - Kenneth Clarke notched up another record yesterday by being sued on his first day as Secretary of State. Merseyside solicitors issued writs on behalf of 20 haemophiliac patients exposed to AIDS virus because of contaminated blood products.

<u>Independent</u> - Cabinet lacking in talent, Heath says. Despite concerted attempts to denigrate him, his views are shared by a number of significant Tory backbenchers.

<u>Independent</u> leader looks at the position of John Moore and believes he has been given a second chance to demonstrate his interest in radical welfare reform. If he is able to create a more efficient and more humane system of social security which minimises the psychological reliance of its clients he will have done much to rehabilitate his political reputation.

LABOUR POLITICS

<u>Times</u> - New "think tank" launched to help Labour Party and its sympathisers to get back into the intellectual fray. It will be chaired by Baroness Blackstone.

<u>Independent</u> - Institute for Policy Research, a left-of-centre think-tank headed by Baroness Blackstone is launched to prove "that there is an alternative to Thatcherism". Independent of the Labour Party, it is financed mainly by private and individual donors.

<u>Times</u> - Frank Dobson to complain to BBC after being "misled" into appering on a Radio 4 phone-in programme about Kinnock's leadership qualities.

PETROL

Express leader says Select Committee has made extremely serious charges against the major oil compaies. Since the oil companies say they too would welcome an MMC inquiry there seems no reason for delaying one.

Mail leader agrees there should be an MMC investigation.

<u>Telegraph</u> says the Select Committee report will strike a chord with the public which is often puzzled by the way reductions in oil prices get lost on the way to the pumps. It backs an MMC inquiry.

<u>Times</u> leads with Commons Select Committee report calling for a full-scale MMC investigation into alleged petrol price fixing; leader says the time has come to clear up suspicions of price fixing with another investigation by the MMC.

HOTOL

<u>Sun</u> says Britain must back it. Depressing to find a lack of vision in your Government.

<u>Today</u> says Japanese are preparing to make a killing at Britain's expense by exploiting HOTOL technology.

<u>Times</u> - Inventor of HOTOL dismayed at Government's decision not to go ahead but you agree in the House that the money could far better go to many other projects.

Independent leader detects a Government change in tactics to stimulate high-technology research. British industry has a lamentable record in financing its own research. Hitherto the Government has made up the deficiency. But Dounreay and HOTOL show that the Government believes that it has now created the right conditions for industry to finance more of its own R&D. It is a gamble which Ministers are prepared to run.

<u>Independent</u> - Scientists stunned by cut in funding for HOTOL project. Germans and Americans poised to take the lead in race to develop the next generation of space-launch vehicles.

CHERNOBYL

<u>Star</u> leader says Select Committee report proves what many feared - that we were never told the full truth. Britain is the most secretive society.

<u>Mirror</u> - Revealed: Whitewash cover up on Chernobyl. Leader says for sheer blinkered, blundering incompetence and disregard for the truth, MAFF is the champion. Select Committee has exposed the pretence we are prepared for a nuclear accident at home.

Today - Speaker is to investigate claims Government tried to cover up Select Committee report.

NHS

<u>Times</u> - National Audit Office says health authorities are running up big debts and delaying payments to creditors for up to four months because of the Government's spending squeeze.

<u>Independent</u> - Quality control is being reduced in Britain's largest blood transfusion centre in South London because of problems recruiting staff.

David Hart in the <u>Times</u> puts forward an agenda for Kenneth Clarke because with the promised reforms to the NHS he could have more influence on the outcome of the next election than any other minister. He adds that the electorate sees you as a successful reformer and expects similar results with reform of the Health Service. In health matters, as with the economy, you should stick to your instincts. They will tell you that in the same way that it is not for the Government to decide how much individuals should spend on food, clothing and shelter, it should not decide how much they spend on health care.

SOCIAL SERVICES

<u>Independent</u> - Director of Social Services in Brent forced to resign after suporting Social Care Association Report which criticised councillors' interference and neglect of old people's homes.

LAW & ORDER

 $\underline{\mathtt{Times}}$ - Law Commission calls for a new legal charter for children giving them rights to go to court to seek orders on their future and new legal responsibilities for parents.

<u>FT</u> - Staff side of Police Negotiating Board lobby politicians on pay, issuing an 8-page booklet featuring on its front cover the picture of a policeman with a screwdriver embedded in his head.

ECONOMY

<u>Times</u> - CBI rejects City fears of overheated economy. Growth in manufacturing orders and output are moderating to a more sustainable rate and competitive pressures are acting to constrain price increases.

BARLOW-CLOWES

- FT Inland Revenue is attempting to claim back taxes from Barlow-Clowes Gilt Managers, the UK arm of the investment group.
- $\overline{ ext{FT}}$ Francis Maude met Barlow-Clowes Investment Group yesterday and although insisting that no decision on compensation would be made until the DTI internal inquiry is complete, refused to rule it out.

EDUCATION

- <u>Times</u> Head Teachers blame Government's refusal to allow more time for introduction of GCSE for stress and exhaustion among teachers and pupils.
- $\underline{\mathbf{FT}}$ National Association of Head Teachers criticise GCSE for imposing unacceptable workloads on pupils and teachers hit by poor co-ordination between examining boards.

MEDIA

- <u>Times</u> Rupert Murdoch attacks the "deeply elitist" BBC and ITV saying the public and advertisers were demanding more choice.
- <u>Times</u> You are given a twin warning by the chairmen of IBA and Channel 4 about the threat posed to commercial TV if Government plans to deregulate broadcasting are too far-reaching.

NATO

<u>Independent</u> - In an interview with the German News Agency, Manfred Woerner urges NATO to put forward firm proposals of its own on conventional disarmament to the Warsaw Pact before the end of the year.

EC

- <u>Times</u> You refuse Kinnock's request, at a rare private meeting, to reappoint Clinton Davies as an EC Commissioner.
- <u>Times</u> EC Finance Ministers reach agreement of the draft Community budget for 1989, in dramatic contrast to previous years.
- <u>Times</u> Airlines to face more competition after European Commissioners lay down new regulations designed to accelerate opening up the highly regulated air transport industry.

 $\underline{\mathbf{FT}}$ - Kinnock plea over EC jobs fails. Your meeting, shrouded in secrecy, was said to have been short and businesslike. But Mr Kinnock was forced to acknowledge that he has lost his fight for the re-appointment of Stanley Clinton-Davies.

AUSTRALIA

<u>Independent</u> - Australian Foreign Minister, Bill Hayden, discloses in TV interviews that he has been asked by Bob Hawke to become next Governor-General but says he has not yet made up his mind. The future of the monarchy in Australia is expected to become a controversial issue again.

CAMBODIA

<u>Independent</u> - Prince Sihanouk agrees to meet four Cambodian factions today but rejects seven-point plan put forward by Phnom Penh Prime Minister Han Sen.

MINISTERS (UK VISITS, SPEECHES ETC)

DEN: Mr Parkinson visits Winfrith

DES: Mr Baker addresses the Professional Association of Teachers

conference

MAFF: Mr MacGregor attends Sheep '88, Malvern

DEM: Mr Nicholls visits Advisory Council on Race Relations

DEN: Mr Spicer visits the Hot Dry Rocks, Cambourne; later attends

Nuclear Emergency Exercise, Bedminister Down

DES: Mr Jackson attends press conference at the Engineering Council to

launch publication of the Generalist Engineer

DHSS: Mr Portillo visits Glasgow, Inverness and Wick local offices (to

29 July)

DHSS: Mr Newton attends North Western Ministerial Review, Manchester

DOE: Mr Trippier visits Hydraulic Research Centre at Wallingford,

Oxfordshi-re

DOE: Mr Moynihan visits Northamptonshire School for Sport in Northants

DTI: Mr Clark, meets Soviet Trade Delegation

DTp: Mr Mitchell chairs the 15th Channel Tunnel Joint Consultative

Committee meeting, Winter Gardens, Margate

DTp: Mr Bottomley lunches with the Federation of Civil Engineering

Contractors, London

HO: Mr Hogg visits Brighton (drugs)

MAFF: Mr Gummer attends launch of the Young Chef's Egg Recipe Book,

Knightsbridge, London

OAL: Mr Luce addresses sponsorship dinner for Cheltenham Festival of

Music, House of Commons

MINISTERS (OVERSEAS VISITS)

DHSS: Mr Moore visits France to meet French Health Minister

MINISTERS (PRESS INTERVIEWS)

WO: Mr Walker interviewed on State of the Nation radio programme for

BBC Wales Meet for Lunch programme

DHSS: Mrs Currie interviewed by Channel 4 on breast cancer and informed

consent

TV AND RADIO

- 'Today': BBC Radio 4 (06.30)
- 'Business Daily': Channel 4 (12.30)
- 'The Parliament Programme': Channel 4 (14.00)
- 'File on 4': BBC Radio 4 (16.05) Repeat from yesterday
- 'The World Tonight': BBC Radio 4 (22.30) Followed by 'Financial World Tonight' and 'Today in Parliament'
- 'Apartheid, The Stress on The Mind': Channel 4 (23.10). Dr Michael Simpson studies the effects of detention on the mind