MAIN EVENTS

The Queen and Duke of Edinburgh give a Garden Party at Buckingham Palace

The Prince of Wales visits HMS Warrior 1860, Portsmouth

The Princess Royal visits Rolls-Royce Motor Cars Ltd, Crewe, Cheshire

EC: Informal Internal Market ministers meeting, Greece (to 29 July)

Liberals announce new leader

STATISTICS

DEN: Energy trends (May)

DTp: New vehicle registrations (June)

HO: Scientific procedures on animals 1987

PUBLICATIONS

ECGD: Overseas Investment Insurance Scheme's annual report (1987/88)

ECGD: PAC report on ECGD 1988 hearing on its 1986/87 annual report

HO: Amusement Arcade Research report and announcement (prov)

PARLIAMENT

Commons

Questions: Northern Ireland; Agriculture, Fisheries and Food; Prime

Minister

Business: Motion for the Summer Adjournment, for three hours

Consolidated Fund (Appropriation) Bill: All Stages Afterwards, debates on subjects raised by Members

Adjournment Debate: The Fire Services' role in emergencies (Mr T Fields)

Lords: Starred Questions

Solicitors (Scotland) Bill: Third Reading

Housing Bill: Committee (4th Day)

Advice and Assistance (Scotland)(Prospective Costs) Regulations

1988: Motion for Approval

Advice and Assistance (Assistance by Way of Representation)

(Scotland) Amendment Regulations 1988: Motion for Approval

Police and Criminal Evidence Act 1984 (Codes of Practice) Order

1988: Motion for Approval

MINISTERS - See Annex

Britain deeper in red. Prospect of £10billion trade deficit.

Kinnock says figures are "a Tory made disaster" and calls on Government to withdraw Budget tax cuts to cut spending on imports.

City shrugs off the further deficit - pound indeed goes up 1.5cents. Some fears of higher interest rates.

<u>Mail</u> persuades Alan Walters to talk - thinks Chancellor has done wonders; professes he has no idea how to manage an economy; is very much wedded to basic principles.

Paddy Ashdown tipped to win SLDP leadership today.

Police get 8.5% after long running dispute but pay for recruits frozen for a year.

Ted Heath facing mounting anger in his constituency over his latest attack on you and Cabinet. Some MPs demand his resignation. Mail says Heath's local Mayor has suggested he take a rest. Telegraph and Guardian leader attacks Heath.

You are backing plan for SAS to give evidence at Gibraltar inquest - signalled by Tom King.

Mayor Koch staunchly defends British presence in Northern Ireland on his return to New York; his change of mind causes consternation among Irish Americans. Mail says "good for him" - and could he have a word with Dukakis.

IRA admits judge was their target last Saturday and not family of 3 killed by their bomb.

Suspected IRA terrorist in custody in London after police had thrown him out of Rochester Row when he tried to give himself up to get protection from IRA vengeance squad.

Anglo-Irish conference agrees to tighten border security.

Energy Select Committee claims Government is pushing electricity privatisation through Parliament too fast; timetable "frighteningly tight" and Cecil Parkinson heading for trouble in Commons?

Lots of coverage of how oil companies are alleged to make a killing on the forecourt after Select Committee calls for MMC investigation into petrol retailing.

Number of small firms increasing at rate of nearly 1,000 a week.

Government decides to relinquish its golden share in Amersham International.

Select Committee suggests special payments for informers who blow the whistle on irregularities in defence contracts.

Rolls-Royce teams up with Guinness Peat to rent out Rolls-Royce powered Boeing jets to world's airlines.

Paul Channon wins go ahead for second Severn Crossing to be built by private finance.

Privatisation of Crown Supliers expected to be announced tomorrow and to provoke row over timing.

Tiny Rowland in row with Ted Heath who has defended Al-Fayed's role in Harrods' sale.

Ministers are planning a nationwide heart screening to cut incidence of the disease, according to Mirror.

Paul Foot, in <u>Mirror</u>, claims Brian Griffiths commended Servicemaster, an American hospital management company, to Guys who have appointed them.

Teacher attacked in school assembly in Islington for refusing to attend special assembly for Mandela; lodges complaint with ILEA.

Sun leader says if ILEA does not act Kenneth Baker must intervene.

If the teacher does not have the right to decide for herself what to do, freedom really is dead in Britain.

"Surfing", an American craze for riding on the outside of trains and tubes, claims first victim in Britain on Underground.

Video cameras linked to traffic lights help to convict first motorists for light jumping.

Armoured cars with police marksmen could soon be on call 24 hours a day in case of incidents like Hungerford (Mail).

Case of couple in London who harried and pushed estate agents etc into completing sale of flat in 7 days to beat gazumping; widely admired in editorials for their achievement in spite of those who were supposed to help them.

TV-AM to revamp programmes after criticism from IBA.

<u>Sun</u> doctor says he would advise an insurance company to refuse Kenneth Clarke cover because of his weight, smoking and drinking.

In <u>Mail</u> Kenneth Clarke says he is a staunch supporter of the NHS and is not covered by private insurance.

Eddy Shah buys the late Russell Harty's Yorkshire Dales house.

Giscard d'Estaing trying to establish himself as main Opposition leader in France.

YOUR BROADCAST

Mirror - Maggie's 'No' over Europe - demands for total unity
'absurd'.

Express - Maggie rules out European takeover. You tear strip off Eurocrats for frightening people with talk of United States of Europe. Leader says no-one doubts your commitment to EC but no-one should doubt your determination to see that it does not usurp the powers of Parliament. Your vigorous response to Delors is timely.

<u>Mail</u> page 1 - Maggie says 'No' to federal Europe, in your most scathing attack on Delors who refuses to respond. Leader headed "Margaret Thatcher does a de Gualle" says you carry yourself in relation to the Common Market like some disdainful reincarnation of de Gaulle. But the general has been dead for a good few years and we are looking to 1992 and beyond. In this perspective a Euro-bank and even a Euro currency are not as airy fairy as you would have us think. You may mock Delors but you might also discover you are in danger of becoming stick in the mud.

<u>Telegraph</u> leads with Thatcher ready to block moves to unite Europe. You apply brakes on moves to create United States of Europe and give Delors a dressing down.

<u>Independent</u> page 1 - Prime Minister contemptuously dismisses vision of a united Europe. Delors offers no comment, though the outburst was harder than usual for the Commission to swallow as it comes so soon after the reappointment of Delors by all the EC leaders.

<u>Times</u> - You firmly slammed the brakes on progress towards the economic and political union of Europe as you delivered an outspoken attack on Delors who declines to comment.

<u>Guardian</u> - Thatcher rejects federal Europe; debunks European union. You act to calm Conservative fears on sovereignty.

FT - Thatcher attacks Delors on closer EC integration. You invoke the spirit of de Gaulle to attack his call for a shift to more decision-making in Strasbourg. Your central theme was that Britain is taking a practical view of developments in the Community rather than the "airy-fairy" ideas favoured by other countries. (NB EC launches discussion paper to switch rural activity away from food output).

TED HEATH

<u>Telegraph</u> leader says Government should not fall into the trap of reposting to Heath. Political wisdom and dignity argue for silence. The more un-prime ministerial Mr Heath's conduct the sooner less heed will be paid to his critiques of the present administration. If he continues in his present vein a once respected figure will drown in the fetid waters of his own rancour.

<u>Guardian</u> visits Heath constituency and finds loyalties divided over his repeated attacks on you; leader headed "One Ted too far" says it is a shame about Heath when so much of his stock indictment of your Government has continuing value. His outburst against your reshuffle could go down in history as the moment when tolerance snapped.

LABOUR POLITICS

<u>Independent</u> leader considers prospects for the newly-formed left-of-centre Institute for Policy Research. Although it welcomes the body it believes it may prove difficult for it to develop a coherent set of policies or to persuade the public to take them seriously.

OTHER POLITICS

<u>Times</u> - David Steel appeals to Owenites to join the SLDP rather than remain a splinter group with little future.

EDUCATION

Express, commenting on school inspectors' report that one in four secondary schools are unsatisfactory, says it is a truly dismaying statistic. National system of classroom appraisal of teachers, planned by Kenneth Baker, cannot come a moment too soon.

<u>Times</u> - Kenneth Baker launches a fierce attack on classroom standards describing them as disgraceful and deplorable after HMI report says 25% of schools could be considered unsatisfactory.

ECONOMY

Times leads with Chancellor facing a balance of payments crisis unless the economy slows down. A strong pound delays base rate increase; leader says this is a tricky time for economic management. Interest rates are now virtually the only lever of policy, since the public sector is already in comfortable surplus and demand management through taxation or controls is understandably out of fashion. It adds that a sharp rise in interest rates would work slowly and what is needed is a short, sharp correction to blow away the froth.

FT - UK trade position worsens further in June. General view among city economists is that even if economy slows significantly the current account gap is likely to be £10billion both this year and next. Leader argues for full EMS membership as best way of managing the economy; and observes that current account deficit is a help more than a hindrance because it creates the condition for relatively high interest rates, while syphoning off much of the excess demand. Sam Brittan writes again about the link between house prices and interest rates, saying that we cannot for long sustain higher real interest rates in the UK than other major centres; and differences in nominal rates are tightly constrained by inflation objectives.

Telegraph leader says the Chancellor is right to keep his eye on credit boom and threat of accelerating pay and prices. He tried too long to hold the pound in line with DM with the result that our economy has continued to grow at an unsustainable rate. And if the trade deficit is financeable it does not mean it is sustainable.

<u>Telegraph</u> - City page says the time may have come for Mr Lawson to listen to arguments put forward by Professor Walters. What is needed is a curb on domestic demand, not a more competitive exchange rate.

<u>Guardian</u> says construction industry is leading the boom in imports - eg yellow bricks for Docklands made in Denmark.

OVERSEAS AID

 \underline{FT} - Gross public spending on overseas aid fell by £66million to £1.28 billion last year, according to ODA. Latest figure confirms that Britain, with a total of 0.28% aid as a proportion of economic output, lags behind only the US, New Zealand, Ireland and Austria.

INDUSTRY

<u>Independent</u> - Annual Review of Government-funded R&D shows that the Government intends to reduce spending on civil R&D by nearly 6% in real terms by 1991. Save British Science calls it "deplorable and depressing"

<u>Independent</u> - British entrepreneur unveils plans for deep-sea toxic waste disposal. It entails saving thousands of jobs by taking over two state-owned Wearside shipyards.

DEFENCE

<u>Times</u> - PAC demands MoD to take radical steps to cut the scope for fraud, corruption and impropriety by defence contractors; leader says opportunities for fraud are very great adding that the ideal answer would be for the MoD and industry to put their houses in order by the simple, acceptable means of tighter contractual control and careful scrutiny backed by a vigilant, knowledgeable police force.

<u>Times</u> - Independent inquiry says MoD was right to choose <u>conve</u>ntional "long thin" ships instead of "short fat" ones.

BARLOW-CLOWES

<u>Independent</u> leader looks at the Barlow Clowes affair and says it is rapidly turning into a political nightmare for the Government - a financial scandal which promises to be a genuine vote-loser. It says there may be a case for some Government compensation but feels the Government should not pay up just to quieten the present outcry.

HEALTH

<u>Independent</u> - Director of ethics institute criticises experiments on children in British hospitals, in which health patients were given a drug they did not need and others were kept in hospital longer than necessary.

<u>Times</u> - Tory MPs believe Kenneth Clarke will have to keep free teeth and eye checks because he is on record twice as a junior Health Minister of supporting free tests for everyone under the NHS.

<u>Guardian</u> says Right wing Tory MPs back sale of hospitals to private sector.

WELFARE

<u>Independent</u> - Government endorses the setting up of an Office of Child Protection to monitor local authority care applications, as recommended by Cleveland inquiry report.

HOUSING

<u>Times</u> - Association of London Authorities warns that council house rents could rise by as much as £20 a week as a result of new rules for housing finance issued by Department of Environment.

<u>Times</u> - Property prices have increased on average by 15% in the first six months of 1988.

NO 10 RENOVATIONS

<u>Sun</u> - Maggie's brush off - You are wiping out the last traces of Ted Heath by ripping down his wallpaper.

<u>Mail</u> - Maggie the houseproud; you have ordered a £300,000 interior face-lift.

<u>Telegraph</u> - Under a picture of you shaking hands with Afghan leader - £300,000 interior restoration for 10 Downing Street.

Guardian - Thatcher choice is red theme at No 10.

CHURCH

<u>Independent</u> - Church and Parliament heading for showdown. Some MPs believe that refusal to rubber-stamp a Synod measure on the ordination of divorcees could be a forerunner of other looming conflicts and will cause a constitutional row or even lead towards eventual disestablishment.

<u>Times</u> - Africa dominated the concerns of the Lambeth Conference yesterday.

IRAN/IRAQ

 $\overline{\text{FT}}$ - Perez de Cuellar says he will raise the question of Western hostages in ceasefire talks with the Iranian Foreign Minister this week.

AUSTRALIA

 $\underline{\mathbf{FT}}$ - Bill Hayden has been offered the post of Governor-General of Australia.

THAILAND

<u>Independent</u> - Gen Prem Tinsulanonda turns down offer of another term in office and Acting Deputy Prime Minister says he would accept offer to be Prime Minister.

CAMBODIA

Independent - Hopes fade for Cambodia peace deal at talks in
Indonesia. Fresh talks with Prince Sihanouk in Paris in October.

SOUTH AFRICA

<u>Times</u> - Picture shows you greeting Chief Buthelezi to No 10 and report says your decision to see him in Downing Street was a pointed gesture, clearly meant to be contrasted with your refusal to meet Mr Tambo. You have made it clear that you regard Chief Buthelezi as the leading voice of black moderation in South Africa.

MINISTERS (UK VISITS, SPEECHES ETC)

DEM: Mr Fowler attends EAS 5th birthday party celebrations, London

DES: Mr Baker meets Sir Rodric Braithwaite, USSR Ambassador Elect,

London

MAFF: Mr MacGregor meets Chief Rabbi and eight Animal Welfare Council

members, London

DEM: Mr Cope attends EAS 5th birthday party celebrations, London

DEM: Mr Lee visits Yorkshire

DEM: Mr Nicholls launches Hastings and Rother Training Agency

DHSS: Mrs Currie attends Home Office presentation on drugs

DOE: Mrs Roe visits Tower Hamlets (housing)

FCO: Mrs Chalker addresses London Chamber of Commerce Export Finance

Committee

HO: Mr Patten launches Crimestoppers in Norwich

MAFF: Mr Gummer attends RV Corystes Open Day, Lowestoft

OAL: Mr Luce visits Somerset and Avon (arts) (to 29 July)

MINISTERS (OVERSEAS VISITS)

DTI: Mr Maude attends Internal Market Council, Greece (to 30 July)

MINISTERS (PRESS INTERVIEWS)

DEM: Mr Fowler visits LWT, Southbank; later takes part in Granada's Job

Watch programme

DHSS: Mr Newton lunches with Colin Hughes of The Independent and

Patricia Wintour of The Guardian

TV AND RADIO

- 'Today': BBC Radio 4 (06.30)
- 'Business Daily': Channel 4 (12.30)
- 'The Parliament Programme': Channel 4 (14.00)
- 'Comrades': BBC2 (19.40) Part 2; The first filming of a Russian trial by western cameras (repeat)
- 'True Stories: Maggie's Children': Channel 4 (22.00) A group of young people who all left school when Margaret Thatcher became PM; A look at what they are doing now
- 'Police Powers': BBC2 (22.15) Enforcing the Public Order Act 1986; Are the Police protecting the public or infringing their right to protest?
- 'The World Tonight': BBC Radio 4 (22.30) Followed by 'The Financial World Tonight' and 'Today in Parliament'
- 'The City Programme': ITV (22.35)