PRIME MINISTER

MAIN EVENTS

- The Queen visits Canada (to July 1)
- Queen Mother's 90th birthday parade Prime Minister attends
- Prime Minister opens Ministerial session ozone conf (to Fri)
- Prime Minister meets Prime Minister of East Germany and President Elect of Colombia
- EC Commission consider British Aerospace/Rover
- NUR annual conf (to July 5)
- EC Fisheries Council, Luxembourg
- ACOST report on barriers to growth
- HM Inspectorate reports on Cleveland, Gwent & Cheshire Constabularies
- Inst of Delinquency conf on Criminal Justice WP
- Crofters' Commission annual report
- Scottish Parole Board report
- Director-Gen of Telecommunications annual report
- Energy Select Cttee report on nuclear costs
- TUC General Council
- Labour Party NEC
- Cyclical indicators (May)
- Consultative document on dangerous dogs
- Commons: Questions:

Environment

Debate:

Lords Amndts, NHS Bill

Select Cttee: DSS: Tony Newton

MAFF: John Gummer on BSE

Lords: Debate: Environment Protection Bill

(Cttee - D4); Commons Amdmts, Food

Safety Bill

- Lord Chancellor speaks to Lawyer's Club
- Chancellor addresses Carlton Club
- Lord President at Church Commissioners AGM
- Home Secy speaks at City of London crime prevention assn
- Norman Lamont addresses French Chamber of Commerce
- John Wakeham at B/Airways energy efficiency improvements
- Kenneth Clarke dines with AMI Healthcare
- Michael Howard at Apex Trust conference; NLVO conf.
- David Hunt meets delegation on open cast coal; FUW
- John Gummer presents food hygiene awards, Wandsworth

Main News

President Bush, facing a spiralling budget deficit, forced to concede tax increases after pledging in 1988 that there would be no

new taxes. <u>Times</u> leader says Bush's terse acceptance that higher taxes are necessary may not be a step towards a kinder, gentler society but they are steps towards a more realistic America.

With the exception of that sourpuss Federalist Peter Jenkins, in Independent, you get a pretty good press in Dublin with sympathy for your views on aid for Soviet Union and sanctions and good marks for pragmatism on "union" issues.

Kohl says they are aiming for a United States of Europe.

Kohl letter reveals that he sees his support for aid package to USSR as quid pro quo for Soviet acceptance of NATO membership for united Germany (Independent).

Mitterrand takes you to task - "We can always count on her to ensure that debates are long and that decisions taken are always retaken" he says (Independent).

Michael Heseltine, in the <u>Times</u>, supports the Chancellor in moving, however slightly, to monetary union under the heading "Europe: listen to the businessman".

Robin Oakley, in the <u>Times</u> says nothing could have been more symbolic of your readiness to improve your EC credentials than endorsement of Delors whose work for EC economic and political integration you have done everything possible to frustrate.

<u>Independent</u> says sanctions decision is clearest signal yet of Community's recognition that end to apartheid is insight. You are nonetheless disappointed.

Gerasimov says Soviet Union does not have a programme to absorb a large injection of foreign credit as proposed by France and West Germany in Dublin. Such aid would be premature (\underline{FT}) . Commission officials suggest aid package could be approved by majority vote.

US Defence Secy says Western aid would be a mistake unless Moscow cuts its military spending.

Mandela appeals to US Congress to maintain sanctions until "irreversible" progress has been made towards ending apartheid (\underline{FT}) .

England proceed to next round of World Cup with goal in last minute of extra time against Belgium after 246 English soccer fans are flown home following clashes in Rimini.

11 British fans have their sentences increased during Heysel appeal.

<u>Sun</u> says Britain's reputation was dragged from the gutter into the sewer in Rimini. English sense of shame is greater when we see behaviour of Scottish and Irish fans.

Today does not regard sending thugs home is good enough. It can understand why European countries want to get rid of our riff raff but unless they agree on concerted action to stop them the thugs will be back.

Express says the expulsion of the 246 adds to the already considerable shame they have brought us. But the Italians did the right thing. We must now do the right thing and stop them leaving our shores in the first place.

 $\underline{\text{Mail}}$ wishes we could say the same as the Italians over the 246 - get out and good riddance.

Your visit to Carlton Club and hospital widely covered.

IRA admit planting bomb - security experts see new phase of bombing directed against establishment. Security videotape thought to hold clues.

MPs express concern that they could be giving terrorists the publicity they seek in their reaction to the bombing of the Carlton Club (Times).

Today manufactures a row between you and Haughey over extradition because of your remarks at your press conference in Dublin.

 $\underline{\underline{Sun}}$ leader wonders how long we are supposed to tolerate murder in our midst. Are we really so helpless against a pack of skulking cowards? It says we should send the SAS into the Republic and take out matching number of IRA criminals.

<u>Today</u> says the IRA scored an own goal - nothing better illustrates gap between IRA and goodwill between Britain and Irish people than our cheers over Irish World Cup progress. When the first IRA terrorist is sent back for trial in Britain they will believe Haughey's slippery expressions of sympathy.

<u>Express</u> says the attack seems part of the IRA's recently intensified claim against soft military and selected civilian targets in mainland Britain and on the Continent. It backs an idea from Professor Paul Wilkinson to change the law so that convicted terrorists who betray colleagues can be given jail remission.

<u>Times</u> leader says whatever the IRA might try, Londoners will get on with their lives, concerned by the IRA only to the extent of being determined to frustrate it in its aims whatever they are.

<u>Telegraph</u> leader says a combination of vigilance, contempt for the perpetrators and business as usual is the right response.

<u>Mail</u> leader says the bomb at Lord McAlpine's home was a forewarning of this type of attack. A more watchful eye would be a help.

<u>Guardian</u> leads with threat to Gorbachev at next week's Congress because of growing strength of Conservatives.

Yeltsin says he intends to appoint a multi-party Government.

Shevardnadze criticises hardliners in military for accusing Soviet reformers of opening the Soviet Union to Western attack by allowing freedom in Eastern Europe.

Robert Service, Leader in Soviet History and Politics at the School of Slavonic and East European Studies, University of London, writing in the <u>Times</u>, under the heading "Muddle no longer enough as Gorbachev stumbles" sees power through manipulation breaking down in the face of Yeltsin's radical appeal.

<u>Times</u> says that according to Govt sources the radical propoals for reshaping the armed forces, submitted 6 months ago by Alan Clark, are expected to form the core of the options for change for the three services.

Kenneth Baker to try to patch up quarrel between you and Sir Geoffrey Howe because of effect it is having on the party.

 $\underline{\mathtt{Times}}$ says you are being urged by senior Tory strategists to stage a public reconciliation with Geoffrey Howe.

John Wakeham unlikely to be given job of overseeing work on next Tory manifesto. "A" team of Ministers will be called in to take on the task (Independent).

Derrick Hill, in Express, on the sham of Labour's moral superiority, says their plan to increase taxes will lessen our freedom and harm the poor. Socialism is what socialism does - limits individual choice, stimulates social conflicts, promotes bureaucracy and all the waste, inefficiency and corruption that goes with it.

TUC has £2million deficit. Affiliation fees to be raised 20% to £1.20 per member and costs cut.

Jimmy Knapp warns of one day a week rail strikes if privatisation brings a threat to national pay bargaining.

EC will today order BAe to reply £44million sweeteners.

<u>Independent</u> forecasts a political row amid signs that Tories on Select Cttee will clear Govt of deliberate deceit over Rover deal.

Beer prices set to rise 8-10p on a pint in South.

<u>Telegraph</u> says that all over England the tills of village stores are ringing for the last time because of punitive taxes, including unified business rate.

Private session of King's Cross Bill Cttee agrees to let project go ahead despite uncertainty over Tunnel rail link. But it will censure BR for giving misleading evidence (Independent).

Criticism of the new 5p coin launched yesterday by Chancellor, with the usual references to our shrinking money.

29 former Lambeth Labour councillors banned from office after 1986 rates revolt face a second 5 year ban after receiving a surcharge of £212,726. They plan to appeal to ECHR (FT).

 $\overline{ ext{FT}}$ leader on nuclear power scrutiny says danger of John Wakeham's new justification of nuclear power is that it will rely on an inadequate analysis at the time of the promosed review in 1994. The environmental case for nuclear power needs the same critical scrutiny as the economic case.

<u>Telegraph</u> leader says further construction of such plants cannot be justified but the Govt should be ready to fund reserach into means of producing cheaper and safer nuclear power.

You will launch the world's first global environmental fund in London this morning when you open the ozone conference (<u>Times</u>).

Head teachers call for changes in testing of children at 7 to avoid crisis next summer. DES to reflect on steps which need to be taken. Times says John MacGregor is likely to alter the tests.

Inspectors say schools are ill-prepared to meet the demands of 1992 as many modern language teachers have an inadequate grasp of their subject (Times).

Rupert Allason MP says the security service tribunal is a farce and a scandal; it emerges that it cannot investigate anything that happened before December 1989 (Independent).

BBC to issue new guidelines to make interviews "searching" but not "aggressive, hectoring or rude" (Independent).

Govt being asked to subsidise some of the smaller TV companies such as Ulster and Border to stop their disappearing altogether when new franchises are allocated in 1993 (Times).

Press Council decides to fight for its life rather than submit meekly to the death sentence contained in the Calcutt report $(\underline{\mathtt{Times}})$. It will continue to receive and adjudicate on public complaints.

 $\overline{ t FT}$ says the Press Council claims neither the Govt nor Calcutt have the right to abolish it.

Iran refuses Salman Rushdie's donation of £5,000 to disaster relief - "just blood money" - his "sentence" to stay.

<u>Express</u> says that if the gift had been made annonymously instead of trumpeted one could have viewed it as a simply humanitarian gesture. Instead, it looks more like an attempt to placate the Iranian regime rather than alleviate suffering.

EC have accused Greece of violating EC law by preventing a British couple from opening a language school in Rhodes (FT).

If Uruguay Round fails OECD should become the forum for trade talks (FT).

DUBLIN

 $\underline{\underline{\operatorname{Sun}}}$ - Maggie in Euro victory - pulls rug from under United States of Europe.

<u>Mirror</u> - Thatcher sours Summit - pouring a bucket of cold water over political union.

Today - Maggie ECU warning - a single currency would bring disaster. Leader says if you did not exist the EC might have to invent you. You are the one who says the unpopular things other leaders dare not mumble. Yesterday you wanted South African sanctions droped, resisted a single Euro currency and talked the EC out of throwing money at Gorbachev's problems. You claimed deep down the other countries really wanted to fall into line. But in spite of this go-it-alone bravado you had to agree to IGCs leading to a single nation. It is time you admitted this is where Europe is now headed.

Express p2 - Thatcher rejects Euro dream of single currency and community run from Dublin.

Mail pl0 - We are winning? Europe's starting to see things my way, says Maggie. You were jubiliant, our views prevailing.

Leader headed "The case of the inert handbag" says acrimony was off the menu in Dublin. The other leaders moved closer to you on South Africa and were prepared to compromise on Western aid for Soviet Union. You consented to meetings on political and monetary union. Your pragmatism is subduing your prejudice. Put another way: the lady is for learning.

<u>Telegraph</u> pl - Europe plans help for Moscow. Special summit likely in October.

Peter Jenkins, in <u>Independent</u>, says that your whipping up of fears about threats to national identity falls into the category not of patriotism but of chauvinistic nationalism. You appear to hold foreigners in low esteem, particularly when they are Germans. What is your vision of a Europe? It is hard to say unless it is of a supermarket in which trolleys can move freely from shelf to shelf. Everything else is negative: preserving this, protecting that, keeping the European fire at bay. Had you ever managed to rise above your small-town shopkeeper prejudices, you possessed the authority and qualities of leadership which could have reconciled the British people to Europe. Sadly, rather than play the card of European patriotism, you prefer to bang the dismal drum of nationalism.

FT - Dublin Summit ends with a promise of aid to the Soviet Union and a signal to South Africa. EC leaders were ready to respond to further dismantling of apartheid by easing sanctins. West German initiative for western aid to Moscow was launched in spite of concern that it might meet serious reservations from US and Japan at the Houston summit next month.

An <u>Independent</u> editorial says you showed a certain chutzpah in claiming that others were coming around to your point of view on sovereignty in EC. In reality it was you who, faced by the general desire for closer integration, had to swallow your objection to treading the path towards stronger EC institutions and a common currency. On the issue of South African sanctions, you failed to have your way. But the British are right to be sceptical over aid to the Soviets. Huge credits are more likely to delay essential economic and political reforms.

Guardian pl - Prime Minister predicts the break up of EMS.

Inside: Thatcher claims victory as Community eases sanctions.

Leader says Kohl's plan for massive aid may be too simple an approach but there is much merit in the Franco-German argument.

On wider issues, history is being made.

 $\overline{ ext{FT}}$ leader on Dublin said you had little to complain about in the decisions taken on aid to the Soviet Union which largely reflected your views. Your view was clearly justified by experience. The twelve showed laudable realism and lack of identifiable prejudice in the way they handled most of the issues with the exception of sanctions where they have not moved far enough.