

L.C.C.

TO: ALL MEMBERS OF THE LEADER'S CONSULTATIVE COMMITTEE

LCC (78) 175 : CORRIGENDUM

The attached note is for discussion at the meeting of the LCC on Monday, 8th May. It is circulated to correct the material set out on page 20 of the Research Department's Background Brief which forms part of LCC (78) 175 which summarises proposals for changes in spending plans. This revised note is needed to take account of the Budget and to reflect a different method of presentation for changes in the level of child benefit.

ADAM RIDLEY

Conservative Research Department,
24 Old Queen Street, London, SW1.

ANR/MHM
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DRAFT MANIFESTO
SUPPLEMENTARY BACKGROUND BRIEF

This note brings up to date the Research Department's background brief for the Leader's Consultative Committee meeting held on 17th April 1978.

The figures below represent increases or reductions in public expenditure in relation to the Government's current plans, as set out in the Public Expenditure White Paper, with account being taken of the expenditure changes announced in the recent Budget. Increases in child benefit (which replaces child tax allowances) were previously included under public expenditure on the social services. They have now been taken out on the grounds that such increases should be regarded as part of our tax-cutting programme, although it should be emphasised that this is not intended to pre-empt the issue.

Public Expenditure Changes
(£m, 1977 Survey Prices)

	1978-79	1979-80	1980-81	1981-82
B. Prices	-7	-7	-7	-7
C. Industry	-335	-250	-230	-210
D. Trade	+30	-70	+30	+30
E. Employment	-50	-100	-100	-80
F. Energy	-80	-80	-80	-80
G. Agriculture	+19	+19	+19	+19
I. Housing	-250	-190	-370	-522
J. Transport	-7	-7	-7	-7
K. Home Affairs	+135	+135	+135	+135
L. Social Services	+70	+65	+60	+55
M. Education	+50	+50	+55	+55
O. Foreign Affairs		+50	+100	+150
Q. Scotland	+50	+50	+50	
TOTAL:	-375	-335	-345	-462

It should be noted that this table gives a very misleading idea of our overall revenue and expenditure proposals. The inclusion of child benefit and the substantial increases we envisage in defence would convert the reductions at the foot of the table into quite large increases.