



PRIME MINISTER

LIQUID MILK PRICES

I refer to Peter Walker's minute of 27 November.

Whilst appreciating the case presented for increasing prices I feel that to do this on 21 December, just before Christmas, could lead to unnecessary criticism of the Government.

I am also a little disturbed at the rather obvious attempt to maximise the effect on households whilst minimising the impact on the RPI (prices are collected for the December RPI on the 16th of the month). This might well lead to accusations of index rigging. For these reasons I should prefer that we go for an increase in price on a date which looks a more neutral choice, for example, Sunday 3 January.

I am copying this to other recipients of Peter Walker's minute of 27 November.

J P

3 December 1980