



File

NOTE FOR THE RECORD

118th Meeting

Chancellor's Morning Meeting, Tuesday 18 November 1980

Present: Chancellor
 Chief Secretary
 Financial Secretary
 Minister of State, Commons
 Minister of State, Lords
 Mr Cropper
 Mr Cardona

Public services pay

1. There was a brief discussion of pay monitoring. Whatever decision was taken on the future of the CSD, there should be a group of people available to monitor developments in public service pay.

Green Paper on Taxation of Husband and Wife

2. There was a discussion of charging policy. It was decided the unsubsidised price of £4.25 was too much to charge for a consultative Green Paper, and so there would have to be a subsidy. Almost certainly the costs of production themselves were too high.

Question Time

3. The Chancellor was wondering whether he should accept an invitation to appear on "Question Time." The consensus was that he should.

Parliamentary Party

said
 4. The Chancellor/that he had addressed a meeting, of ministers not in the Cabinet, which had been quite helpful. But other meetings of junior ministers were said to be less helpful. It was agreed that the major effort should be applied to talking to backbenchers, but that Treasury junior ministers would endeavour to seize every opportunity of discussing the Strategy with their counterparts in other departments.

End - November announcement

5. There was a discussion of the respective merits of making a statement or a speech. The consensus was that a statement was preferable but care would need to be taken to avoid giving the impression of an Autumn budget. It might be sensible for the Chancellor or Chief Secretary to address the backbench finance committee after the statement and possibly before the day appointed for the economic debate.

Industry Act Forecast

6. Since ministers had agreed on a figure of 11% for the RPI forecast for the fourth quarter of 1981, the Treasury's central forecast had moved downwards. There might be a case for lowering the published figure further, to 10% or 10½%, and possibly to single figures. Ministers were asked to put to the Chancellor their comments on the draft Industry Act Forecast, which would need to be discussed.



GEORGE CARDONA
18 November 1980

Distribution: Chancellor
CST
FST
MST (C)
MST (L)
Sir D Wass
Sir K Couzens
Sir A Rawlinson
Mr Ryrie
Mr Burns
Sir L Airey
Sir D Lovelock
Mr Ridley
Mr Cropper