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10 DOWNING STREET

From the Principal Private Secretary

20 October 1980

Dear Sir,

POSTAL TARIFF INCREASES

The Prime Minister has seen your Secretary of State's minute of 15 October about the proposed increases in postal tariffs. She has also seen the Chancellor of the Exchequer's minute of 16 October.

The Prime Minister is still very unhappy about the proposed increases. She has commented: "In private industry straitened financial circumstances require change. There is no possibility of increased prices for them. We should use the occasion to demand the requisite change (in the Post Office). We cannot just put the burden on the public." The Prime Minister would like to discuss the problem with your Secretary of State and the Chancellor of the Exchequer, and she proposes to raise the matter with them immediately after the meeting on Public Expenditure which has been arranged for 1500 hours on Tuesday 21 October.

I am sending copies of this letter to John Wiggins (Treasury), David Wright (Cabinet Office) and Robin Ibbs (CPRS).

Yours sincerely,

Alvin Whiston.

I.K.C. Ellison, Esq.,  
Department of Industry.

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