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29 June 1982

CABINET

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INDEX LINKED PENSIONS

Note by the Secretary of the Cabinet

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1. At the conclusion of the discussion of this subject at Cabinet on 3 June 1982, the Prime Minister said that she would discuss the issues further with the Chancellor of the Exchequer and certain other Ministers and would then consider how best to proceed (CC(82) 31st Conclusions, Minute 4).
2. That discussion has now taken place. It was agreed that there was now no prospect of legislation on this subject in this Parliament. The Lord President of the Council was invited to arrange for a debate after the Summer Recess, probably in the "overspill" in October. In that debate the Government should expose the complexities of the issue, without committing itself firmly to any particular conclusion, though it could reveal its thinking a little more clearly than on previous occasions, in particular on the principle that it was a matter of simple justice that those groups who enjoyed index linking should, broadly, pay for the benefit. Such a debate would provide an opportunity for eliciting attitudes of Opposition parties on these matters.

Signed ROBERT ARMSTRONG

Cabinet Office

29 June 1982

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