T P Lankester Esq Private Secretary to the Prime Minister 10 Downing Street LONDON SWIA 2AL

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TURE IN 1980-81

WHITE PAPER ON PUBLIC EXPENDITURE IN 1980-81

On 13 October Cabinet agreed that there should be an early White Paper on public expenditure in 1980-81, and the Chief Secretary will shortly be circulating a draft to Cabinet. Meanwhile he has asked me to write to you to seek the Prime Minister's concurrence in the date of publication.

The earliest practicable date for publication, if Cabinet agree the draft, is Wednesday 31 October. The Prime Minister and the Chancellor and other colleagues are due to visit Bonn that day and, if the Prime Minister felt that publication could embarrass her in her discussions with Chancellor Schmidt on defence, publication could be held up until the following day. But the Chief Secretary considers it barely conceivable that the Germans could learn of, and digest, the contents of the White Paper in time to raise it with the Prime Minister on the day of publication, and Wednesday is a more convenient day than Thursday for press conferences (which the Chief Secretary and Financial Secretary would take). So unless the Prime Minister sees objection, the

statement, but he would be opposed to it, particularly if it had to be on a Thursday. He considers that a more helpful way to present the White Paper is to give Members of Parliament an opportunity to study it properly and then to debate it. The plans in the White Paper relate after all to the next financial year, not to measures taking immediate effect on the day of publication. An

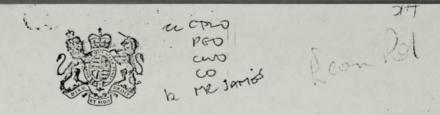
oral statement would also compel publication in the afternoon, which would be less convenient for press conferences and hence for getting the Government's line reflected in press comment in the next morning's newspapers.

I am sending a copy of this letter to the Private Secretaries to the Chancellor of the Duchy of Lancaster, the Paymaster General and the Chief Whip, to the Chief Press Secretary at No 10 and to Sir John Hunt.

A C PIRIE

Private Secretary

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## 10 DOWNING STREET

From the Private Secretary

22 October 1979

## White Paper on Public Expenditure in 1980/81

Thank you for your letter of 19 October which I have shown the Prime Minister.

As I told you on the telephone, the Prime Minister would prefer to put off taking a decision on the date of publication of the White Paper until decisions have been taken on the outstanding question of electricity and gas pricing in 1980/81. I assume that this will be settled at Cabinet on Thursday, so a decision on timing of publication can be taken then.

The Prime Minister has noted that the Chief Secretary is opposed to the suggestion that there should be an oral statement. She has, however, not yet taken a firm view on this herself; it would seem appropriate for this to be considered in Cabinet as well.

I am sending a copy of this letter to John Stevens (Chancellor of the Duchy of Lancaster's Office), Richard Prescott (Paymaster General's Office), Murdo Maclean (Chief Whip's Office) and Martin Vile (Cabinet Office).

T. P. LANKESTER

A.C. Pirie, Esq., HM Treasury.

