

Cabinet Business
Mastes

NOTE FOR THE RECORD

c.c. Mr. Whitmore
Mr. Wolfson
Mr. Alexander

At the Chancellor's meeting with the Prime Minister this morning, the Prime Minister mentioned in passing that she would like to have an all-day session for the Cabinet at Chequers after Christmas to discuss the Government's economic strategy, and possibly strategy on manpower and foreign policy.

This was, of course, before the Cabinet discussion on Civil Service staff, which I think the Prime Minister had anticipated would go rather less well than it actually did. There still has to be a further discussion on Civil Service staff cuts to pick up various loose ends from this morning's meeting; but I am not sure the Prime Minister will still want a strategy discussion on manpower.

The Chancellor did not react to the suggestion. But I understand that he will be considering the idea of a Cabinet discussion of economic strategy over the weekend, and will want to discuss ~~them~~^{it} with the Prime Minister when he meets her on Monday afternoon. There may be a case for an economic strategy discussion rather earlier than Christmas. It could be linked to the decisions which are needed towards the end of November if the Government is to promulgate a medium-term financial plan. On the other hand, a discussion soon after Christmas could be a "scene setter" for the Chancellor's budget deliberations.

12.

1 November 1979