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CABINET

CONCLUSIONS of a Meeting of the Cabinet
held at 10 Downing Street on

THURSDAY 1 NOVEMBER 1979

at 10.00 am

PRESENT

The Rt Hon Margaret Thatcher MP
Prime Minister

Hon William Whitelaw MP ary of State for the Home Department	The Rt Hon Lord Hailsham Lord Chancellor
Hon Lord Carrington ary of State for Foreign and nwealth Affairs (Item 3)	The Rt Hon Sir Geoffrey Howe QC MP Chancellor of the Exchequer
Hon Sir Keith Joseph MP ary of State for Industry	The Rt Hon Francis Pym MP Secretary of State for Defence
Hon Lord Soames President of the Council	The Rt Hon James Prior MP Secretary of State for Employment
Hon Sir Ian Gilmour MP Privy Seal (Items 1 - 3)	The Rt Hon Peter Walker MP Minister of Agriculture, Fisheries and Food
Hon Michael Heseltine MP ary of State for the Environment	The Rt Hon Nicholas Edwards MP Secretary of State for Wales
Hon Humphrey Atkins MP ary of State for Northern Ireland	The Rt Hon Patrick Jenkin MP Secretary of State for Social Services
Hon Norman St John-Stevas MP llor of the Duchy of Lancaster	The Rt Hon John Nott MP Secretary of State for Trade
Hon David Howell MP ary of State for Energy	The Rt Hon Mark Carlisle QC MP Secretary of State for Education and Science
Hon John Biffen MP Secretary, Treasury	The Rt Hon Angus Maude MP Paymaster General

THE FOLLOWING WERE ALSO PRESENT

The Rt Hon Norman Fowler MP
Minister of Transport

The Rt Hon Michael Jopling MP
Parliamentary Secretary, Treasury

Mr Paul Channon
Minister of State, Civil Service Department
(Item 8)

SECRETARIAT

Sir Robert Armstrong
Mr M D M Franklin (Items 2-4)
Mr P Le Cheminant (Items 5-8)
Mr P J Harrop (Item 1)
Mr R L Wade-Gery (Items 2-4)
Mr P Mountfield (Items 5, 6 and 8)
Mr D E R Faulkner (Item 1)
Mr G D Miles (Item 7)

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NTARY 1. The Cabinet were informed of the business to be taken in the House of Commons during the following week.

2. The Cabinet's discussion is recorded separately.

3. THE PRIME MINISTER said that the successful visit of Prime Minister Hua Guofeng of China, which was still in progress, was politically significant given China's size and potential and her changing attitude towards the West. He had proved open and friendly in manner, with clear if predictable views on most international issues. Immediate commercial results were not expected; decisions on possible orders would no doubt be considered after the Chinese delegation had returned to China. But our position on Harrier sales had been made clear, and the Chinese had shown close and informed interest in a wide range of British industries.

THE FOREIGN AND COMMONWEALTH SECRETARY said that reports which had appeared in the United States of a nuclear explosion in the area of Southern Africa were unfortunate. The implication was, of course, that South Africa had exploded a nuclear bomb, at a time when a build-up of international criticism of the South Africans at this juncture could damage our interests, eg in Rhodesia and Namibia. This was the more unfortunate in that, to the best of our knowledge, there was not enough evidence to conclude that any nuclear explosion had in fact occurred.

The Cabinet -

Took note.

4. THE PRIME MINISTER said that the Federal German Chancellor, at her meeting with him in Bonn the previous day, had shown understanding for our objectives on the Community budget, and would not himself be an obstacle to our achieving them; but he had given her a clear warning that other member states, including some of the smaller countries who were doing exceptionally well out of the existing budgetary arrangements, would argue that we should not now expect to renegotiate yet again the terms on which we had entered the European Economic Community (EEC). We should clearly have a battle to get even the major part of what we expected by way of relief to our net budget contribution during the financial year 1980-81.

In a brief discussion it was suggested that we had a particularly difficult negotiating hand to play: we had to strike a balance between a desirable demonstration of the strength of domestic public opinion in support of the Government's position and inviting a very adverse reaction from that public opinion if at the European Council at Dublin we achieved something less than our full negotiating objectives. It had been necessary and right to take a strong position, in order to ensure that other member states were aware of the political importance for the Government of dealing satisfactorily with the issue. The underlying truth was that our membership of the EEC was at stake in the Government's insistence upon a result that was reasonable and fair, though, if the matter ever came to that point, the advantages as well as the disadvantages of our membership would need to be very carefully weighed.

THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD said that at a meeting of the Council of Ministers (Fisheries) earlier in the week the Commission had been encouraged to bring forward new proposals on the Common Fisheries Policy and the French had now agreed to have further bilateral talks. These developments were helpful. At a subsequent informal meeting with Ministers only, Commissioner Gundelach had outlined his plans for dealing with the cash crisis facing the Common Agricultural Policy. Most Ministers had agreed that there was a crisis, but they had reservations about the Commission's plans to cut quotas for sugar and to impose a levy on milk producers. As to sheepmeat, the Commission had now informed the French Government that, unless they took measures to open their market for sheepmeat in compliance with the judgment of the European Court, before the end of the week, a further case would be taken to the Court. No progress had been made towards agreeing upon a Community sheepmeat regime.

In a brief discussion it was suggested that, if the French continued to act illegally, this would give us an extra card to play in the negotiations on the budget. On the other hand, it could create difficulties over the implementation of the Court's ruling on tachographs, where for the moment there did not seem to be very widespread support for the threatened industrial action.

The Cabinet -

Took note.

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5. The Cabinet considered a memorandum by the Chancellor of the Exchequer (C(79) 48) setting out the cash limits proposed for the nationalised industries in the financial year 1980-81. They also considered letters and minutes from the Secretary of State for Energy (25 October, 30 October and 31 October) about the cash limits for the National Coal Board, for the electricity industry for England and Wales, and for the British Gas Corporation, and from the Secretary of State for Scotland dated 31 October about the cash limits for the Scottish Electricity Boards.

THE CHIEF SECRETARY, TREASURY, said that, since the Chancellor of the Exchequer's paper had been circulated, provisional agreement had been reached in correspondence on cash limits for the energy industries, in line with decisions taken in the Ministerial Committee on Economic Strategy. The cash limits proposed were derived from the public expenditure and pricing decisions already taken by Ministers, from the industries' own forecasts of revenue, and from the Treasury's internal economic forecasts. The inflation assumptions on which they rested were broadly compatible with those adopted by the Cabinet for the Rate Support Grant (RSG). The cash limits were, however, of a different character from those which applied to local authority or central government expenditure. They were limits on the provision of external finance, which was the difference between the finance generated from the industries' internal resources and their total financial requirements. They thus differed from other cash limits, and the Chancellor of the Exchequer considered that it would be more sensible to refer to them in future as "external financing limits" rather than "cash limits" as suggested by the Nationalised Industries Chairmen's Group. The Chairmen's Group had also suggested (in a letter which was annexed to the Chancellor of the Exchequer's paper) a single global cash limit for all the nationalised industries. He proposed to reject this approach, which would diffuse financial responsibility and control. The other points in the Group's letter should be explored in discussion with the Chairmen, but it should be made clear to them that the Government had already agreed the limits to apply to 1980-81. If the Cabinet endorsed the figures now proposed, he suggested that the sponsor Ministers should discuss the individual figures with the Chairmen concerned, and that the complete set of limits should be published in the middle of November, at the same time as the Government announced its decisions on the RSG.

In discussion there was general support for the approach to cash limits for the nationalised industries set out in the Chancellor of the Exchequer's paper. It was, however, suggested that the particular figures proposed for British Rail and the National Bus Company were too low, and would lead to politically unacceptable fare increases. There were also difficulties over the figure for British Airways which required further examination. The limits proposed for the British Steel Corporation and for the Post Office had been agreed, but the

Cabinet should recognise that difficult decisions on plant closures and on pricing would be needed to keep within them. It was also suggested that the allowances made for wage costs might in some cases be unrealistically low. If insistence on such low limits led to strike action, the result might be that the industries would be forced inescapably into even larger breaches of their cash limits than they would if they conceded a slightly more generous wage settlement. Against this, it was argued that the Cabinet had already approved the main lines on which cash limits should be set for the nationalised industries, and that the figures concerned had, with minor exceptions, been agreed with the responsible Ministers.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet now approved the cash limits set out in Annex A to C(79) 48, as modified and supplemented in later correspondence, with the exception of those for British Rail, the National Bus Company, and the British Airways Board. The Cabinet saw force in the arguments advanced by the Ministers concerned for higher cash limits for those industries than those proposed by the Treasury, and noted that the Chief Secretary, Treasury, was prepared to consider sympathetically appropriate adjustments. The Chief Secretary, Treasury, and the Ministers concerned should agree revised figures accordingly in the next few days. The Cabinet were in agreement that the sponsor Ministers should inform the Chairmen of the industries of the Cabinet's decisions; that the Chancellor of the Exchequer should arrange for the approved limits to be published on or about the date of the Government's announcement about the RSG; that the date of publication should be discussed and agreed among the Ministers responsible for nationalised industries and those responsible for the RSG; and that the Chancellor of the Exchequer should then reply to the Nationalised Industries Chairmen's Group on the lines suggested in paragraph 12 of his paper.

The Cabinet -

Took note, with approval, of the Prime Minister's summing up of their discussion, and invited the Ministers concerned to proceed accordingly.

6. THE SECRETARY OF STATE FOR INDUSTRY said that a substantial majority of the workforce appeared to have voted for the management's restructuring plans in the recent ballot. The Government would now come under strong pressure to provide the necessary finance to carry through the plans. There was already £225 million provided in the Public Expenditure Survey for this purpose, out of the original £1,000 million set aside for British Leyland; but the management was expected to seek a further £200 million for the restructuring plans. Sir Michael Edwardes had made it clear that he would not ask for this money if the restructuring plan was not substantially supported in the ballot, and was being scrupulously fair in making it clear that the Government was not committed to provide this money. Ministers should avoid giving any impression in public that the result of the ballot necessarily made provision of the additional finance certain. One important factor to which Ministers would need to have regard would be the attitude of the workforce in the current wage negotiations.

THE PRIME MINISTER, summing up a brief discussion, said that Ministers would need to consider the future of British Leyland shortly, and the Secretary of State for Industry should bring forward proposals when he was ready.

The Cabinet -

Took note.

7. The Cabinet considered memoranda by the Chancellor of the Exchequer (C(79) 50), the Lord President of the Council (C(79) 55), the Secretary of State for Energy (C(79) 53), and the Minister of Transport (C(79) 52), about the future of Vehicle Excise Duty (VED).

THE CHANCELLOR OF THE EXCHEQUER said that his memorandum, and the attached report by officials, set out the arguments for and against the abolition of VED. Although there were a number of subsidiary arguments, the main question was whether a decision to dispense with a tax which raised a considerable amount of revenue, whose loss would have to be and could only be replaced by increasing the petrol duty, would be justified in order to achieve savings of little more than 1,000 staff. VED was already bringing in some £875 million per annum, and if this were revalorised for only one year's inflation, the income would be in excess of £1,000 million. To recoup the same revenue from an addition to petrol duty would add 19½p now, and a further 6½p later to match the yield of a revalorised VED. In his view increases in petrol duty would be less publicly acceptable than increases in VED, particularly since motorists would still face the inconvenience of registration with an annual fee of say £5, even if VED were abolished. There were other disadvantages, too: in particular, the disabled, who were currently exempt from VED, would lose a benefit and would demand concessionary petrol prices in lieu. In his view it was inconceivable that the Government should give up the flexibility afforded by such a large independent source of tax, in exchange for administrative savings which might amount to only about £15 million per annum.

THE LORD PRESIDENT OF THE COUNCIL said that the staff savings associated with abolition would make a major contribution to the targets for reductions in the Civil Service. The VED was an unpopular tax, whose abolition would be widely welcomed, and evasion was high. The disadvantages of abolition were not as great as was suggested, and he would favour that course.

THE SECRETARY OF STATE FOR ENERGY said that he would favour abolition on energy-saving grounds. The pump price of petrol in the United Kingdom was the lowest in Europe, and an increase in petrol price of 19p, to compensate for the loss of VED, would result in significant fuel savings without altering the burden of motoring taxation.

THE MINISTER OF TRANSPORT said that in Opposition the Government had taken up a clear position against the abolition of VED. If the tax was retained, it would still be possible to achieve substantial, though lesser, savings in manpower in the Civil Service, by simplification of VED, and by arranging for part of the work to be done by the Post Office. He would favour retention of the tax, coupled with efforts to achieve the staff savings which he had mentioned.

In discussion it was argued that in view of the clear policy stance adopted in Opposition, on which supporters had relied during the Election, strong arguments would be needed to justify a change of view now. Although VED was an unpopular tax, the retention of registration, with a £5 fee, combined with a higher petrol price, would considerably diminish the attraction of abolition to the motorist. There was room for argument about the effect on the rural motorist, but there was undoubtedly a strong belief among residents of rural areas that a change of this kind would be to their disadvantage. There was evidence to suggest that the change would be particularly disadvantageous for residents of the Highlands of Scotland. The financial consequences for the disabled, and the argument that some supplementary help for this group would be needed in petrol tax was increased, was already a source of pressure from the relevant groups.

In discussion it was suggested that, if it was decided to retain the VED, no firm announcement need be made until the next Budget statement, and that questions meanwhile would be deflected by saying that the future of the tax was still under review. On the other hand it would be desirable to make progress on the changes to achieve staff savings, and this would involve consultation with Staff Sides and with the Post Office. It seemed unlikely that news of the decision could be held back until the Budget, and it might therefore be preferable to end any uncertainty at an earlier date. In considering the possibility of moving from four months to six months licences, it was suggested that some users might well prefer to be able to tax a vehicle for the summer period, and leave it untaxed for the winter. Any move to six-monthly licences should be arranged with this factor in mind.

THE PRIME MINISTER, summing up the discussion, said that strong arguments were needed to justify a major change in taxation policy. The Cabinet had concluded that VED should be retained. The Minister of Transport should seek vigorously to achieve all possible savings in the staff employed on this work by simplifying the tax, and by transferring of work to the Post Office, on the lines suggested in his memorandum. The Chancellor of the Exchequer should consider further the question of an announcement, and its timing, and should report his conclusions to the Cabinet at an early date.

The Cabinet -

Took note, with approval, of the Prime Minister's summing up of their discussion and invited the Chancellor of the Exchequer and the Minister of Transport to be guided accordingly.

8. The Cabinet's discussion and the conclusions reached are recorded separately.

Cabinet Office

1 November 1979

COPY NO 35

CABINET

LIMITED CIRCULATION ANNEX

CC(79) 19th Conclusions, Minute 2

Thursday 1 November 1979 at 10.00 am

THE FOREIGN AND COMMONWEALTH SECRETARY said that Bishop Muzorewa had now accepted our proposals for the transition to independence. It was a major concession for him to have agreed to the Rhodesian Parliament being dissolved, and to himself and his Ministers ceasing to exercise their functions during the election period. No more could be expected. The Patriotic Front remained opposed, formally to the whole of our proposals, particularly strongly to the shortness of the transitional period and to the role proposed for the existing police force. It might be possible for them to be brought to overcome their objections; but it was possible that Mr Mugabe and (more reluctantly) Mr Nkomo would walk out of the Lancaster House Conference. In these circumstances the Foreign and Commonwealth Secretary intended to table our proposals in definitive form on 2 November and to call for the Front's reply by 5 November. Only if they agreed would the Conference move on to consider arrangements for a ceasefire, which would be the most difficult problem of all. If the Front withdrew, we would carry out our transitional plan in agreement with Bishop Muzorewa. We could not then expect much general international support. But at least some of our European Economic Community partners should be with us; the United States Congress would certainly be sympathetic; and it was to be hoped - though it was not certain - that the United States Government would also support us. Meanwhile urgent action needed to be taken in Parliament here, given that Section 2 of the Southern Rhodesia Act 1965 (and thereby sanctions on indirect trade with Rhodesia) would lapse on 15 November. A renewal of the Section 2 sanctions could be passed through the House of Commons only on the basis of Opposition support (and perhaps not at all in the House of Lords): given the views of many of the Government's supporters and the willingness of Bishop Muzorewa to accept the Government's proposals, that course would not be politically tolerable. An interim Enabling Bill would need to be passed before 15 November, under which the British Government could by Order appoint the Governor, promulgate the new Constitution and briefly maintain sanctions on direct trade with Rhodesia in order to protect our position at the United Nations until legality was restored following the Governor's arrival. Later in November a second Bill would be necessary under which independence would be conferred at the end of the transitional period.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet endorsed the Foreign and Commonwealth Secretary's policy and proposals. The Parliamentary and public handling of these proposals, which were likely to be very controversial, would be difficult and contentious, and would require the utmost care and attention. She and the Foreign and Commonwealth Secretary and the Lord Privy Seal would offer to brief the Leader of the Opposition and Shadow Foreign and Commonwealth Secretary on Privy Counsellor terms at a meeting on 2 November. On 5 November Rhodesia would be considered by the Defence and Oversea Policy Committee; and the Government's Parliamentary supporters should be briefed. Notice of the Enabling Bill would be given on that same day; the Bill would then be tabled on 6 November and arrangements made for a Second Reading debate on 8 November. This would entail a change of Parliamentary business from that proposed by the Chancellor of the Duchy of Lancaster earlier in the meeting, and therefore a revised business statement. Despite the tightness of the timetable, it should be possible for the Bill to be considered by the House of Lords on 12 November and receive the Royal Assent by 14 November.

The Cabinet -

Took note, with approval, of the Prime Minister's summing up of their discussion.

Cabinet Office

2 November 1979

COPY NO 35

CABINET

LIMITED CIRCULATION ANNEX

CC(79) 19th Conclusions, Minute 8

Thursday 1 November 1979 at 10.00 am

The Cabinet considered a memorandum by the Lord President of the Council (C(79) 51) reporting the results of the discussions which he and his Minister of State, together with the Minister of State, Treasury (Lord Cockfield), had had with Departmental Ministers on the proposal to save at least 10 per cent on staff costs.

THE LORD PRESIDENT OF THE COUNCIL said that Cabinet had agreed in principle to seek savings of up to 10 per cent, on the understanding that this would require savings of at least this size from the largest Departments in order to achieve the overall total. The results of the discussions with Departmental Ministers, which were summarised in his paper, had been disappointing. Firm offers of staff savings amounted to barely 6 per cent or about £250 million a year. This was a gross figure, and the net savings would be rather smaller. Some of the options would require legislation; others - not allowed for in the 6 per cent - required difficult policy decisions still to be taken. The decision which the Cabinet had just taken on Vehicle Excise Duty would make it still more difficult to reach the target of 10 per cent. He was convinced that many Departments could improve on the offers they had made. But this would take time. Meanwhile, the Government was committed to make an announcement in the autumn about the next steps in its review of manpower. On the basis of decisions already taken or offers made, it would only be possible to announce that some 6 per cent had been achieved. That would be regarded by many of the Government's supporters as inadequate. It would therefore be necessary to make it clear that this was only an interim report, and that the search for savings would continue. It would be possible to offer a further report at a later date - say, next spring; but it would be unwise to offer a hostage to fortune by suggesting any specific new target which might, in the event, be incapable of achievement.

In discussion there was general agreement that the Cabinet needed clearer information about the position already reached in bilateral discussions. It was obvious that some major decisions remained to be taken, including those listed in Annex 4 to the Lord President of the Council's paper, and that it would be unwise to take credit for these at such an early stage. There were a number of other smaller decisions, not separately listed but still included in the figures in Annex 3 to the paper, which could well prove very difficult to carry through. For example, the overall savings attributed to the Department of Health and Social Security would require the replacement of the wheelchair service by cash grants which would be highly controversial. Some of the savings in the Revenue Departments assumed the abolition of existing tax concessions, and might be equally difficult to obtain. Others depended on expensive budgetary decisions which could not yet be taken. The total staff savings shown might require up to £1 billion of tax revenue to be forgone. Some of the savings shown for other Departments were the consequence of policy decisions which ought to be considered and presented in their own right on policy grounds, not for their effects on Civil Service manpower. For example, the decision to make employers responsible for the first six weeks of sick pay was part of the Government's general strategy on incentives, and should not be justified on the grounds of the manpower economies which would result. On the other hand, there were savings in the list which might be criticised as likely to have damaging consequences: for example, the reduction in the Statistical Service of the Customs and Excise, though the Secretary of State for Trade was confident that this particular saving could be made without damage to the usefulness of the trade figures. It was also suggested that the figures in the paper, because they concentrated solely on reductions in manpower, might give a misleading impression of the future size of the Civil Service. There were potential increases in staff which might be necessary and justifiable in their own right but would reduce the net savings in staff numbers. For example, the Home Office would probably need to recruit additional staff to license "citizens' band" radio, but could cover the additional cost from licence fees. The Department of Energy were taking over functions from the British National Oil Corporation which could be better discharged within Government and would protect the yield from Petroleum Revenue Tax, but the staff could not be found within existing complements. Some flexibility was therefore desirable.

Much bigger savings were expected from current reviews in a number of Departments. The Ministry of Defence, which had already reduced its numbers by 10 per cent in the past few years, at a time when the rest of the Civil Service had increased by 14 per cent, had set in hand a number of major reviews of organisation which might yield substantial further savings. But the results of these would not be known until the spring. Meanwhile, the Chiefs of Staff were seriously worried at the imposition of any arbitrary cuts which might impair the efficiency of the Armed Services. Similarly, the Minister of Agriculture, Fisheries and Food, in the first weeks of the new Government, had set in hand a complete management review of his Department. But this would not be completed until the following year and meanwhile it might be premature to score any savings in that area.

In further discussion it was suggested that the operations carried out by the Lord President of the Council had concentrated on the elimination of existing functions. This was an important task, but equally large savings might be had from improving the efficiency with which existing functions were carried out. For example, in the Department of the Environment, the staff in post when the Government took office had been about 97.5 per cent of the authorised complement. Staff in post had already been reduced to 95 per cent of complement total, and by 1 April 1980, the figure should be 89 per cent. This had been achieved by tight control of recruitment and replacement of staff, exercised under the close and regular personal supervision of the Secretary of State for the Environment himself. Only in this way could Ministerial attention be focused on the whole range of Departmental activities. This approach required an information system tailored to the circumstances of each individual Department. Each Minister should normally be able to arrange this within the resources of his own Department, but where this was not possible (for example, in the case of the small Departments responsible to the Lord Chancellor) the Civil Service Department might be asked to assist. It was also suggested that Sir Derek Rayner and his team might help Ministers in the pursuit of economies of this kind, though it was also pointed out that Sir Derek Rayner operated by drawing on staff from the Departments concerned, and that the Cabinet had already approved the way in which his work should be carried further.

In further discussion it was argued that the Staff Side would need some early reassurance that the Government had now reached final decisions. In some cases, Departments had more than met their objectives, but the Staff Side would fear that, because other Departments had not done so, still further cuts were in prospect. If it came to be felt that the cuts already offered were only the first of a series of rounds of cuts, there was a real danger of militant action. Against this, it was argued that the search for staff savings was a continuing exercise. As already demonstrated, it was part of good departmental management. The best approach might be to announce the firm decisions which the Government would be able to take in the next few weeks, and not to suggest that there was to be a further cuts exercise, but to make it clear that the review of functions and the improvement of efficiency would be a part of the continuing process of good management in every Department. The Cabinet would wish to consider the text of any general statement of this kind.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet agreed that Government should not take credit for manpower reductions depending on decisions which had not yet been taken. A number of major outstanding issues remained to be settled, either within the responsible Departments, or by the appropriate Committees of the Cabinet. As a first step, the Lord President of the Council should bring before Cabinet two revised lists, the first to show a complete and comprehensive account of savings offered and agreed by Departmental Ministers, where decisions had been taken or could be taken without further ado, and the second showing those which still required policy decisions. Each list should identify those savings or decisions which required legislation. At the same time he should circulate a text of the announcement he might make at the conclusion of the present manpower exercise, reflecting the line suggested in discussion. A co-ordinated approach to Staff Sides would be required. Until this had been agreed, Ministers should not reply to their individual Departmental Staff Sides. It was known that the manpower exercise was being discussed in Cabinet that day; if there were questions, Ministers should make it clear that no decisions had been taken on particular proposals to reduce staffs. All Ministers should take steps to set up monitoring systems of the kind described by the Secretary of State for the Environment, so as to allow them to exercise closer scrutiny on a continuing and regular basis of the recruitment and replacement of staff. In case of difficulty, they should seek the support of the Civil Service Department. The results of that scrutiny in Departments should be regularly reported to the Civil Service Department, whose task it would be to co-ordinate Departmental returns and report to the Lord President of the Council and the Prime Minister.

The Cabinet -

Took note, with approval, of the Prime Minister's summing up of their discussion, and invited the Lord President of the Council and other Ministers to proceed accordingly.

Cabinet Office

2 November 1979