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10 DOWNING STREET

From the Private Secretary

2 January, 1981.

Dear Mr.

1981 Budget Arrangements

The Prime Minister has considered the Chancellor of the Exchequer's minute of 30 December and is content with his proposals.

I am sending copies of this letter to Robin Birch (Chancellor of the Duchy of Lancaster's Office), Murdo Maclean (Chief Whip's Office), and Brian Shillito (Office of the First Parliamentary Counsel).

~ ~

T. W.

John Wiggins, Esq.,
HM Treasury.

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Treasury Chambers, Parliament Street, SW1P 3AG
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PRIME MINISTER

1981 BUDGET ARRANGEMENTS

At the beginning of November we discussed the date of the 1981 Budget and you endorsed 10 March as the planning date. I have now reviewed the position in the light of subsequent developments and have concluded that 10 March should be confirmed as Budget Day and that this date should be announced during the first Business Statement after the Recess - which will I understand be Thursday, 15 January.

2. An announcement is not absolutely imperative then but it will help those wanting to put Budget representations forward and, more importantly, will also ease the task of public presentation by reassuring everyone that within a couple of months there will be a comprehensive statement about the whole economic strategy.

3. I take this opportunity also to respond to the suggestion, in your letter of 7 November, that we might publish the Public Expenditure White Paper on the morning of Budget day, rather as the old "Economic Survey" was handled. I have considered this carefully but do not think it would in fact be an appropriate way of responding to the complaints from the then Leader of the Opposition about the way the 1980 White Paper was published with, rather than before, the Budget. The White Paper is the vehicle for publishing the detailed public spending plans as they have emerged from Cabinet and it is essential to be able to present these in the context of the medium term strategy to be explained in the Budget Speech and documented in the Red Book. (The Red Book rather than the White Paper is of course

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Mr Heslop
Mr Lyburn
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where we now set out general economic background material of the kind given in the old "Economic Survey".) There would be scope for considerable practical complication and confusion in presentation - leading for example to adverse newspaper headlines - if the public spending plans were to be released in isolation from the economic context.

4. Some of the complaints about the publication of the 1980 White Paper on the afternoon of Budget Day (and without the usual CFRs) probably reflected the novelty of the arrangement. I have had no representations about 1981 publication arrangements since the 24 November announcement that the White Paper will again appear at the time of the Budget. I suggest that we let the matter rest there for now, but be ready to consider providing the Leader of the Opposition with a courtesy copy of the White Paper a few hours before my Budget statement, if he asks for this. (I should add that if we were to issue CFRs of the White Paper to journalists it would be appropriate to give one to the Leader of the Opposition. In fact the balance of argument seems to be against provision of CFRs, though a final decision can be taken later.)

5. I am sending copies of this minute to the Chancellor of the Duchy, the Chief Whip, and to First Parliamentary Counsel. (Michael Jopling's people have confirmed to my officials that 10 March remains acceptable from their point of view.)

(G.H.)

30 December 1980

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