

Subject

CONFIDENTIAL



10 DOWNING STREET

THE PRIME MINISTER

Personal Minute

No. M18/79

MEMBERS OF THE CABINET

We agreed yesterday to make further reductions in the expenditure plans as they now stand. The proposals which the Chancellor of the Exchequer and the Chief Secretary will now put to the Ministers concerned will concentrate first, as was said yesterday, on the large programmes and major decisions from which substantial savings can be obtained.

Smaller programmes too can make some further contribution to the savings we need. Now is the time for a critical re-examination of options that have so far seemed too difficult.

I ask all Ministers, whether or not they receive an immediate specific request from the Chancellor and Chief Secretary, to examine their programmes once again and to let the Chief Secretary know by the end of the second week of January what further savings they can make, toward the objectives on which we have agreed.

I am sending a copy of this minute to Sir Robert Armstrong.

Margaret Thatcher

14 December 1979

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