



PRINCIPAL PRIVATE SECRETARY

cc PS/Chief Secretary
Sir D Wass
Sir K Couzens
Mr Burns
Mr Ryrle
~~Mr Middleton~~
Mr Monck
Mr Britton
Mr Riley
Mr Turnbull
Mrs Lomax

MLR IN THE BUDGET

The Financial Secretary has seen Mr Middleton's minute of 27 February.

He agrees with Mr Middleton's conclusion that a two percentage point cut in MLR is needed to give a proper balance to the Budget.

SAL

S A J LOCKE
2 March 1981

b/3

360/81