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Ref. A07815

MR WHITMORE

Prime Minister  
Contract for the Treasury to  
try to clear the paper by  
correspondence?  
HW  
16/3/82

Public Expenditure Survey 1982

As you know, the Prime Minister decided she would prefer not to take the Cabinet paper on this subject this week.

2. The Treasury are anxious to make progress with the discussion of this subject; they need early decisions, largely from the point of the view of the local authority programmes. They believe that their proposals are unlikely to be contentious (but they could be wrong about that: some of the Prime Minister's colleagues will not take kindly to another "options cuts" exercise). They have suggested that we might see if it is possible to clear the paper by correspondence.

3. I do not think that we have anything to lose by this. If the Treasury are right in thinking that the paper is uncontentious, we shall have saved ourselves a discussion; if it is contentious and a discussion is demanded, we shall have some idea of the nature and extent of the objections to the Treasury proposals.

4. If the Prime Minister agrees, I should like to invite the Treasury to seek to clear the paper in correspondence, at any rate in the first instance.

I would still leave  
a week or two

RTA

ROBERT ARMSTRONG

16 March 1982

between the budget - other  
new exercise  
not.



Econ Pol

Econ Pol

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10 DOWNING STREET

*From the Private Secretary*

SIR ROBERT ARMSTRONG

Public Expenditure Survey 1982

You minuted Mr. Whitmore on 16 March about the Treasury's wish to make progress with the 1982 Public Expenditure Survey.

The Prime Minister wishes to leave a week or two between the Budget and this new exercise. She would accordingly prefer no paper to be circulated for the time being. I have suggested to the Chief Secretary's Office that they check with me on, say, 26 March, about the circulation of their paper. I hope that this will leave enough time for the Treasury's plan to clear the paper by correspondence and - as envisaged in paragraph 3 of your minute - if this proves impossible to lay on a discussion in Cabinet without too much delay.

M. E. SCHOLAR

17 March 1982

CONFIDENTIAL

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