



10 DOWNING STREET

Prime Minister

Bilateral with the Chancellor

Only two items:

(i) markets and interest rates;

(ii) teachers' pay.

DS
29/7

D. R.
CONFIDENTIAL

PRIME MINISTER

BILATERAL WITH THE CHANCELLOR

Possible subjects for discussion include:

- (i) Teachers' pay (there is a note on this elsewhere in your box);
- (ii) The markets (with the weakness of the dollar but also some depreciation of sterling).

The Chancellor may also mention to you:

- A letter he has sent to you about Mexico; - in 'Act: on this Day' folder.
- He has circulated an end of term letter to Government back benchers;
- He plans to send you a minute about membership of the TSRB;
- He may mention to you where he is getting to on the question of whether the Exchange Control Act should be repealed.

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22 July, 1986.

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10 DOWNING STREET

Prime Minister

You might wish to
tell the Chancellor
about your journal.

N.G.W.

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