

PRIME MINISTER

BILATERAL WITH THE CHANCELLOR: 24 MARCH

As far as I am aware the only two items in the Chancellor's mind are:

- (i) The position in the markets
- (ii) Police pay. I am not sure whether the Chancellor will raise it this week, but I know it is a point on his mind. I suggest that you leave him to raise this subject when he wants to rather than prompting it yourself.

PREG.

Paul Gray 23 March 1988 put

PRIME MINISTER MEETING WITH THE CHANCELLOR The Chancellor's office spoke to me earlier this afternoon passing on his request for a five minute chat with you, preferably this afternoon or failing that on Sunday evening. I explained that you were busy with speech writing this afternoon and that it would therefore have to wait until Sunday evening, if a mutually convenient time could be found then. I asked the Chancellor's Private Secretary for some indication of what the Chancellor wished to discuss with you. Apparently the Chancellor was unwilling to say, and so my impression is that he wants to have a private word. The Chancellor has now gone to Dorneywood for the weekend and is returning after lunch on Sunday. I have told his office you are currently planning to come back from Chequers after tea. The Chancellor may therefore make contact with you sometime on Sunday seeking a short word with you when you are both back in Downing Street. Recc. Paul Gray 18 March 1988 JA1BSQ