

PRIME MINISTER

WELFARE MILK

You will see from Kenneth Clarke's minute at Flag A that he has decided to end free welfare milk for children in day care from the end of this school term. He says he proposes to make an announcement and to lay the necessary Regulations 'before the end of June'.

Ian Whitehead's note at Flag B summarises the background to the decision. He has been unable to discuss the position fully with the Department of Health, but suggests that, as a minimum, the announcement should wait until after the European elections.

(i) do you want to know more about this before taking a view?

Or

(ii) content for Mr. Clarke to proceed, on the basis that no announcement is made until after the European elections? or do all

PAUL GRAY
26 May 1989

SL2AVJ

No - this will cause a terrible row - all for £4 million. I know - I went through it 19 years ago. Health has enough to do to fulfil White Paper and Community Base proposals through any scheme for saving £400m on milk. I will look at that. But not 1/4 - mt.

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10 DOWNING STREET

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From the Private Secretary

30 May 1989

Dear Andy McKeon,

WELFARE MILK FOR CHILDREN IN DAY CARE

The Prime Minister was grateful for your Secretary of State's minute of 25 May.

I should be grateful if you and copy recipients could ensure this letter is given only a restricted circulation to named individuals.

The Prime Minister is extremely concerned about the proposal to end free welfare milk for children in day care from the end of this school term, which she thinks would be liable to cause a very great row, particularly against the background of the present controversy over the NHS White Paper and Community Care. She would therefore be grateful if your Secretary of State could reconsider the position.

I am copying this letter to David Crawley (Scottish Office), Stephen Williams (Welsh Office), Stephen Leach (Northern Ireland Office), Tom Jeffery (Department of Education and Science), Gill Littlehales (Department of Social Security), Roger Bright (Department of the Environment), Shirley Stagg (Ministry of Agriculture, Fisheries and Food) and Carys Evans (Chief Secretary's Office).

Yours sincerely

Paul Gray

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PAUL GRAY

Andy McKeon, Esq.
Department of Health

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