

CONFIDENTIAL



Treasury Chambers, Parliament Street, SW1P 3AG  
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4 August 1988

The Rt Hon Norman Fowler MP  
Secretary of State for Employment  
Caxton House  
Tothill Street  
London SW1

*Dear Secretary of State*

*- will request if required.*

Thank you for your letter of 28 July. My officials will let yours have further comments on the draft paper as soon as possible.

I am content, in principle, for you to solicit nominations from the various groups represented on the RPIAC. However, the treatment of the abolition of rates and the introduction of the community charge is a highly sensitive issue. There are some very difficult questions still to be settled. We must avoid any risk that it becomes public knowledge at this stage, before we have made our decisions, that the implications of the community charge for the RPI is due to be discussed by the Committee. Since the RPIAC is largely made up of various outside interest groups there would be a strong probability of a leak if the Committee knew that the community charge was to be on the agenda.

It is essential, therefore, that when the invitations are issued they give no indication that the community charge is likely to be on the agenda. I suggest that they say simply that the agenda and associated papers will be circulated later. We should take the same line if any nominee subsequently enquires about the agenda.

I note that you will make no public announcement of the RPIAC being convened until the terms of reference have been agreed. However, we will need to agree a public line to take should there be any leak from the various groups that the RPIAC is to be convened. I suggest that it should be that the Committee's agenda has not yet been settled.

I am copying this letter to the Prime Minister, the Secretaries of State for the Environment, Health and Social Security, and the Scottish Office as well as to Sir Robin Butler and the Head of the Government Statistical Service.

*Yours sincerely*

*[Signature]*

PP. NIGEL LAWSON

*[Approved by the Chancellor & signed in his absence]*