

PRIME MINISTER

BILATERAL WITH THE CHANCELLOR: 29 MARCH

You are having a short bilateral with the Chancellor at 0930 tomorrow; then at 0945 he will be joined by Norman Lamont, Chris Patten and David Hunt to discuss what you should say about future Community Charge arrangements in your Central Council speech.

Bilateral

Since time is short I do not propose you try to settle any substantive points with the Chancellor tomorrow. You may want briefly to review the markets position post-Budget - which has been pretty good after the initial nerves. And you may want a word about the informal meeting of ECOFIN which the Chancellor is attending next weekend; you saw at the weekend the Chancellor's minute at Flag A about this.

For next week's bilateral, I am allowing more time in the diary, in particular so that you can review with both the Chancellor and the Chief Secretary the emerging prospects for the forthcoming public expenditure round.

Central Council Speech

At Flag B I enclose the note I have sent to Treasury and DoE Ministers indicating the sort of thing you are minded to say at Cheltenham.

PAUL GRAY

28 March 1990

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