



10 DOWNING STREET

Pune Minutes (2)

I have arranged for you to
see Mr Tebbitt on his own
on Wednesday 2.30 - 3.00 pm
with a quadrilateral with
Ch (G) and CST at 18.15 pm
after E (NI)

Treasury have sent on
the attached correspondence.
No need to go into the
detailed figuring as a
specific brief will come over
on Tuesday night.

AT

28/9

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cc Mr Scholar
Mr Monck
Mr Lovell
Mrs Case
Mr R H Wilson
Mr Bent
Mr White
Mr King
Mr Gray
Mr Yeo

Treasury Chambers, Parliament Street, SW1P 3AG

Mr Felstead
Mr D Jones

Rt Hon Norman Tebbit MP
Secretary of State for Trade and Industry
Department of Trade and Industry
1 Victoria Street
LONDON SW1H 0ET

2 August 1984

Norman Tebbit

PUBLIC EXPENDITURE SURVEY 1984 - DTI AND ECGD

Following Cabinet on 5 July, I am writing to propose an agenda for our bilateral meeting in September on your departmental programmes.

The attached table set out the key figures for DTI and ECGD and I suggest we should use them as the basis for our discussion. I hope that any revisions that may be needed as a result, for example, of revised economic assumptions can be agreed between officials so that revised tables can be circulated before we meet.

For each department, I suggest that having dealt with a reduced requirement we should start our discussion with your bids for additional expenditure. However, as I made clear in Cabinet, the overall position is extremely tight and I will be able to agree to additions only in exceptional cases. Elsewhere it must be a question of reordering priorities within existing programmes.

Of the bids you have put forward, I accept that the cost of the recent launch aid contracts have to be met and that the additions for shipbuilding are largely the result of interest rate movements and the performance of British Shipbuilders. I appreciate also that there will need to be payments to British Telecom for civil defence services, although how large they should be and who should make them has still to be settled. For ECGD, I accept that the bulk of the increase on interest support relates to existing commitments and is thus, effectively irresistible. It will be all the more important for us to look carefully at the scope for altering the terms for new business.

Against this background, the main focus of our meeting must be to consider the scope for savings. I should make clear at the

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outset that in order to hold the expenditure totals to the figures agreed by Cabinet, I must press you to avoid any increase over the baseline for 1985-86 and to make substantial net savings in the later years leaving aside your expenditure on regional policy.

We have agreed already to secure substantial net savings from the changes in regional policy. These will derive from the Scottish and Welsh Offices as well as your own department. We shall be discussing how best to proceed in this field in E(A) in the near future and until decisions on the details are reached we cannot estimate how the savings will be distributed between programmes and among departments. I suggest therefore that we should not discuss these regional policy questions at our bilateral but should leave them to be settled in the separate regional policy discussions. It is crucial, however, that the savings are brought into account in time for the Autumn Statement. Moreover, I should wish to discuss with you at our bilateral the scope for reducing expenditure during the transitional period for example by a moratorium on RDGs or stricter criteria for regional selective assistance.

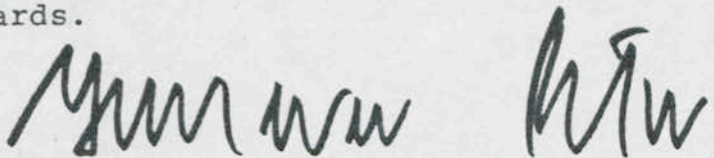
Turning to the rest of your programme, the table of possible reductions indicates the main areas where savings might be made. They might include reductions in the expenditure not yet committed over a wide range of your assistance schemes as well as the introduction (or increase) of charges where this would be appropriate. Naturally, if you would prefer to find savings in other ways I would be happy to consider your proposals.

We may also need to take into account the implications for your programme of the arrangements agreed by E(A) earlier this year requiring offsets to domestic programmes where Community expenditure rises faster than has been allowed for. However, in the first instance this is for discussion by officials.

I envisage bringing forward proposals on the provision for pay in 1985-86 in mid-September. If, as in earlier years, we decide to set a figure below that implicit in the present baseline and to remove the difference from programmes, that exercise can proceed in parallel with the bilateral discussions.

Finally we need to discuss manpower numbers in your department. I understand that you are not yet in a position to take a final decision on privatising the Warren Spring Laboratory or hiving off the Patent Office. I must press you, therefore, for further efficiency savings with the aim of reducing your 1 April 1988 target by 3 per cent (leaving aside the manpower implications of whatever is decided on regional policy). I hope that further contracting-out can play a major part in this. For ECGD, I am content that the manpower baseline agreed last year should remain until final decisions on the Matthews Report have been taken.

I am sending copies of this letter to Jim Prior, George Younger, and Nicholas Edwards.



PETER REES

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Summary Table

EXPORT CREDITS GUARANTEE DEPARTMENT

A. Expenditure Baseline

£ million

| | 1984-85 | 1985-86 | 1986-87 | 1987-88 |
|---|--------------|-------------|---------------|---------------|
| Refinancing of fixed rate Export Credits | 18.5 | 26.7 | 3.9 | 4.0 |
| Cost Escalation Guarantees | 8.3 | - | 1.3 | 1.4 |
| Interest Support Costs | 130.3 | 0.7 | -168.5 | -172.7 |
| Mixed Credit Matching Facility | 1.5 | 2.5 | 4.0 | 4.1 |
| Total | 158.6 | 29.9 | -159.3 | -163.2 |

B. Expenditure: Reduced Requirements

| | | | | |
|----------------------------|--|--------------|--------------|--------------|
| Refinance | | -38.5 | -12.8 | -15.5 |
| Cost Escalation Guarantees | | -1.6 | - | -0.1 |
| Mixed Credits | | - | - | -0.1 |
| Total | | -40.1 | -12.8 | -15.7 |

C. Expenditure: Additional Bids

| | | | | |
|------------------------|--|--------------|--------------|--------------|
| Interest Support Costs | | 177.5 | 201.0 | 142.3 |
| TTC/FES | | 5.0 | 5.0 | 5.0 |
| Total | | 182.5 | 206.0 | 147.3 |

D. Expenditure - Options for Reductions

| | | | | |
|---|--|-------------|-------------|-------------|
| Transfer of refinance | | 32.0 | - | - |
| Withdrawal of Mixed Credits Matching Facility | | 2.0 | 3.5 | 3.5 |
| Switch from US dollar to sterling financing | | | | |
| (i) ECGD proposed option | | 0.4 | 2.6 | 7.2 |
| (ii) Treasury alternative | | 1.6 | 10.4 | 28.8 |
| Total (ECGD option) | | 34.4 | 6.1 | 10.7 |
| Total (Treasury alternative) | | 35.6 | 13.9 | 32.3 |

E. Running Costs

| | | |
|----------------------|------|------|
| Running Costs | 30.0 | 37.0 |
| (Percentage increase | 5 | 23) |

F. Manpower

| | | | | | |
|----------|--------|--------|--------|--------|--------|
| | 1.4.84 | 1.4.85 | 1.4.86 | 1.4.87 | 1.4.88 |
| Baseline | 1840 | 1840 | 1835 | 1835 | 1830 |

DEPARTMENT OF TRADE AND
INDUSTRY

A. Expenditure Baseline

£ million

| | 1984-85 | 1985-86 | 1986-87 | 1987-88 |
|--|---------|---------|---------|---------|
| *Total to nearest million (excluding local authority relevant current expenditure and external financing of nationalised industries) | 1291 | 1227 | 1184 | 1215 |

Includes Regional development grants of

| | | | | |
|--|-----|-----|-----|-----|
| | 385 | 380 | 370 | 379 |
|--|-----|-----|-----|-----|

*Subprogramme details at Annex 1

B. Expenditure: Reduced Requirements

£ million

| | 1985-86 | 1986-87 | 1987-88 |
|----------------------------|---------|---------|---------|
| Total reduced requirements | -14.0 | -24.8 | -36.9 |

C. Expenditure: Additional Bids

| | | | |
|--|------|-------|-------|
| *Regional development grants | 26.0 | 112.0 | 143.0 |
| Selective assistance to individual industries | 11.0 | 17.0 | 20.0 |
| General industrial R & D | 2.0 | 7.0 | 4.0 |
| Regulation of domestic trade and consumer protection | 0.0 | 0.8 | 0.0 |
| Finance for Rolls Royce Ltd | 28.5 | 21.8 | 0.0 |
| Other aircraft and aeroengine projects | 72.1 | 79.7 | 21.8 |
| Refinancing of home shipbuilding lending | 4.0 | 3.0 | 5.6 |
| Interest support costs | 15.8 | 21.3 | 17.4 |
| Assistance to the shipbuilding industry | 5.1 | 4.0 | 0.0 |
| Assistance to the steel industry | 4.8 | 4.2 | 2.0 |
| Other central and miscellaneous services | 1.0 | 0.0 | 0.0 |
| Civil defence | 24.0 | 24.0 | 24.0 |

Total additional bids

| | | | |
|--|-------|-------|-------|
| | 194.3 | 294.8 | 237.8 |
|--|-------|-------|-------|

Further bid

Support for films

| | | | |
|--|-----|-----|-----|
| | 2.0 | 2.0 | 2.0 |
|--|-----|-----|-----|

* Additional bids for regional development grants will be handled in the separate discussions about regional policy.

D. Expenditure: Options for Reductions

| | | | | |
|--|---|-----|-----|-----|
| Provision of land and buildings | } | 45 | 50 | 70 |
| Selective assistance to individual industries | | | | |
| Promotion of tourism | } | 76 | 100 | 150 |
| General industrial R&D | | | | |
| Aircraft and aeroengine general R&D | } | 35 | 30 | 35 |
| Space | | | | |
| Export promotion and trade co-operation | } | | | |
| Regulation of domestic trade and consumer protection | | | | |
| Total reductions | | 156 | 180 | 255 |

E. Manpower

| | 1.4.85 | 1.4.86 | 1.4.87 | 1.4.88 |
|--|--------|--------|--------|--------|
| Baseline | 12800 | 12700 | 12700 | 12700 |
| Reduced requirements (including savings to offset additional bids) | - | - | - | - |
| Additional bids | - | - | - | - |
| Options for reductions p.a. | - | 127 | 127 | 127 |
| Revised baseline | 12800 | 12573 | 12446 | 12319 |

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Summary Table: Annex 1

**DEPARTMENT OF TRADE AND
INDUSTRY**

Expenditure Baseline: Subprogrammes

| | £ million | | | |
|---|-----------|---------|---------|---------|
| | 1984-85 | 1985-86 | 1986-87 | 1987-88 |
| Regional development grants | 385.0 | 380.0 | 370.0 | 379.3 |
| Provision of land and buildings | 28.8 | 30.1 | 31.0 | 31.7 |
| Selective assistance to industry in assisted areas | 63.8 | 64.5 | 61.6 | 63.1 |
| Other regional support | 2.1 | 0.8 | 0.8 | 0.8 |
| Selective assistance to individual industries firms and undertakings | 94.4 | 94.7 | 80.9 | 82.9 |
| Promotion of tourism | 33.7 | 35.2 | 36.1 | 37.0 |
| Other support services | 5.9 | 3.4 | 3.5 | 3.6 |
| Future industrial support | 0.5 | 2.7 | 1.0 | 1.0 |
| General industrial R&D | 283.4 | 295.3 | 304.4 | 312.0 |
| Aircraft and aeroengine general R and D | 34.4 | 35.4 | 36.3 | 37.2 |
| Space | 65.0 | 67.7 | 69.0 | 70.7 |
| Concorde development and production | 1.0 | 1.4 | -0.3 | -0.3 |
| Finance for Rolls Royce Ltd | 0.4 | -19.5 | -15.8 | -16.2 |
| Other aircraft and aeroengine projects and assistance | 20.8 | 17.2 | 20.3 | 20.8 |
| Refinancing of home shipbuilding lending | -23.0 | -24.0 | -19.0 | -19.5 |
| Interest support costs | 10.7 | -3.5 | -19.5 | -20.0 |
| Assistance to the shipbuilding industry | 31.7 | 18.1 | 2.4 | 2.4 |
| Assistance to the steel industry | 53.1 | 19.4 | 7.3 | 7.5 |
| Export promotion and trade co-operation | 28.6 | 29.9 | 30.9 | 31.6 |
| Regulation of domestic trade and consumer protection:- | | | | |
| i. Central Government expenditure | 27.8 | 31.3 | 32.0 | 32.8 |
| ii. Local authority capital expenditure | 1.9 | 2.0 | 2.1 | 2.1 |
| Other central and miscellaneous services | 140.6 | 145.4 | 149.2 | 154.7 |
| <hr/> | | | | |
| Total to nearest million (excluding local authority relevant current expenditure and external financing of nationalised industries) | 1291 | 1227 | 1184 | 1215 |

Expenditure: Reduced Requirements

| | £ million | | |
|---|-----------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 |
| Provision of land and buildings | -3.0 | 0.0 | 0.0 |
| Selective assistance to individual industries | -9.0 | -24.8 | -24.0 |
| Future industrial support | -2.0 | 0.0 | 0.0 |
| Finance for Rolls Royce Ltd | 0.0 | 0.0 | -10.7 |
| Assistance to the shipbuilding industry | 0.0 | 0.0 | -2.2 |
| <hr/> | | | |
| Total reduced requirements | -14.0 | -24.8 | -36.9 |

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RECORD OF A MEETING IN THE CHIEF SECRETARY'S OFFICE AT 3 PM ON
WEDNESDAY, 5 SEPTEMBER 1984

Present:

Chief Secretary
Mr A H Lovell
Mr P Mountfield (for part)
Mr M C Scholar
Ms E Conn
Mr E A Yeo
Mrs L E Bennett (for part)
Mr A N Ridley
Mr E J W Gieve

Department of Trade & Industry

Secretary of State
Sir Brian Hayes
Sir Anthony Rawlinson
Mr J Gill (ECGD) (for part)
Mr A C Russell
Mr H V B Brown

EXPORT CREDITS GUARANTEE DEPARTMENT BILATERAL

1. Additional bids and reduced requirements

The Chief Secretary accepted all the bids and reductions except that for Tender to Contract/Forward Exchange Supplement. He noted that most of the bids were inescapable and that the largest of them, for interest support costs, was due to higher Treasury interest rate assumptions.

He said that, in aggregate, he could not secure lower figures than £100 million above baseline in 1985-86, and £150 million above baseline in 1986-87. He envisaged a saving of £50 million on the baseline in 1987-88. His proposals were in the form of a package and savings that would become available on regional policy simply had to be utilised against the large bids for launch aid and for shipbuilding.

On manpower, the Secretary of State said he agreed to meet the requirement of a 3 per cent reduction by April 1988 but there were certain caveats. The manpower implications of the changes in regional policy would need to be considered in due course. Second, if the Scrutiny recommended additional staff for the Radio Interference Service, something must be done. Third, the needs of the Companies Registration Office, as identified by the current studies, would have to be met. Fourth, consideration would need to be given to the phasing of the reduction.

The Chief Secretary accepted that these caveats involved special areas where the precise manpower requirements would have to be considered by the Department and the Treasury in due course.

2. Regional assistance

The Secretary of State said that decisions on the new regional grant scheme would need to be taken with colleagues from the territorial departments but that he hoped they would accept his general approach. To provide a contribution towards savings in 1985-86 however, he had decided that he must be prepared to have a moratorium of 4 months' duration. There were alternative ways in which such a moratorium might be wound down, and these would be for the experts to work out, but he envisaged that the moratorium would be in place for two years to the end of 1986-87. He also said that his overall package utilised the savings which would become available on certain assumptions about the new regional policy. On this basis the estimates for regional expenditure by the DTI would be:

| | £ million | | |
|-------------------|--------------|--------------|--------------|
| | 1985-86 | 1986-87 | 1987-88 |
| Present baseline | 444.5 | 431.6 | 442.4 |
| Proposed baseline | 429.5 | 471.6 | 371.0 |
| | <u>-15.0</u> | <u>+40.0</u> | <u>-71.4</u> |

The Chief Secretary said that the expected savings on regional policy changes could not be pre-empted to offset increases elsewhere, and that in any event the actual figures would have to be decided in E(A) Committee. He would need to have fuller details of the proposal, and his officials would need to examine it. The Secretary of State said that the savings on what would have been attributed to DTI spend on the old RDG system, were more than sufficient to pay for launch aid.

3. Reduced requirements

The Chief Secretary said that he accepted the offered 'reduced requirements' in full, viz 1985-86, £-14.0; 1986-87, £-24.8m; 1987-88, £-36.9m.

4. Bids already conceded

The Chief Secretary said that he had conceded five additional bids in his bidding letter, viz

| | £ million | | |
|--|--------------|--------------|-------------|
| | 1985-86 | 1986-87 | 1987-88 |
| Finance for Rolls Royce Ltd | 28.5 | 21.8 | - |
| Other aircraft and aero-engine projects | 73.1 | 80.7 | 22.3 |
| Refinancing of home shipbuilding lending | 4.0 | 3.0 | 5.6 |
| Interest support costs | 24.5 | 27.7 | 19.7 |
| Assistance to the shipbuilding industry | 5.1 | 4.0 | - |
| | <u>135.2</u> | <u>137.2</u> | <u>47.6</u> |

5. Assistance to the steel industry

The Chief Secretary said that it was inappropriate to include contingency provisions for later years in the Survey and that the bids for the later years should be withdrawn. He was prepared to accept the bid of £4.8 million in 1985-86. The Secretary of State accepted.

6. Other central and miscellaneous services

The Secretary of State said that although the stimulation of inward investment was generally a commercial matter, Government encouragement was sometimes necessary. The Chief Secretary accepted the bid of £1.0 million in 1985-86.

7. Civil Defence

The Secretary of State said he was unwilling to bear the projected heavy Civil Defence expenditures on his programme. Civil Defence provisions of this order should be for the Home Office, not the DTI.

The Chief Secretary said he had been informed of the background to the matter and the sizeable expenditures concerned. He proposed that the three bids be deleted but asked that the DTI should scrutinise the detail of the present claim, reduce it to a realistic level, and sort out which Department would be the appropriate one to take responsibility. The Treasury was prepared to see the eventual justified cost as a charge against the Reserve, but only on the basis that it was under the firm control of a specific Minister.

8. Support for films

The Chief Secretary said he understood the DTI was prepared to find £0.5 million in each of the Survey years. In view of that, he would concede the balance of £1.5 million in each year.

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9. General industrial R and D
 10. Aircraft and aeroengine general R and D
 11. Space

The Secretary of State said that taking 1986-87, the options for reductions proposed by the Treasury for these sub-programmes were some 25 per cent of the aggregate expenditure. He said the option cuts proposed by the Treasury were so severe that they would not only mean changes of policy but, effectively, the abandonment of the programmes.

12. Provision of land and buildings

The Chief Secretary said that he understood the existing provisions were based on a 12 months' supply of vacant stock and a vacancy rate of 15 per cent, and that such margins were out of line with the private sector.

The Secretary of State said that the Treasury's options for reductions were so large that he would be very exposed if he accepted them. He did however agree that some savings could be made here (£7m, £10m, £10m.) It would be important to ensure that the same programmes of his territorial colleagues should be cut the same extent. He would also like officials to explore the possibility of the EIEC being able to raise finance with the private sector.

The Chief Secretary accepted the savings subject to the provisos put by the Secretary of State.

13. Selective assistance to individual industries

The Chief Secretary expressed concern at the sizeable additional bids in this programme and said that, in his quest for reductions, he had expected that savings should be possible from the relatively uncommitted expenditures, particularly in later years.

The Secretary of State said that the programme of assistance was a matter of both policy and contractual commitment. To get back to the baseline would mean stopping new offers of aid, and postponing others. A moratorium of some kind would probably be illegal. He considered it would be difficult to persuade colleagues that the Small Firms Loans Guarantee Scheme should be closed in December. There would be a renewal of the agitation when the procedures were tightened earlier in the year.

General

The Secretary of State said that he could not find savings to offset the major bids on his aggregate programme. To do so would mean breaking contracts and Manifesto commitments. His Department had however found minor savings and, as part of a package, he could offer:

| | £ million | | |
|--------------------------------------|-----------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 |
| Provision of land and buildings | - 7.0 | -10.0 | -10.0 |
| Space | - 3.0 | - 5.0 | - 7.0 |
| Launch Aid | - 5.0 | + 5.0 | |
| Other | - 0.2 | + 0.2 | |
| Mergers and Monopolies Commission | - 0.1 | | |
| Insolvency Service | - | - | - 0.5 |
| Companies Registration Office | | - 0.7 | - 0.8 |
| Patent Office | - 0.9 | - | - 0.5 |
| Iron and Steel | - | - 3.0 | - 1.7 |
| Textiles | - 6.5 | - 1.5 | + 4.0 |
| Insurance Supervision | - | - 2.0 | - 2.0 |
| Support for films | - 0.5 | - 0.5 | - 0.5 |
| Vote 4 | | -0.1 | |
| Other savings/re-phasing | - 3.3 | -15.3 | +2.2 |
| | -26.5 | -32.9 | -16.8 |

NOTE. The final details of these figures were provided by DTI officials after the meeting. Further adjustments were made to reflect the treatment of the additional bids for Steel in the later two years, producing figures of £28.7m and £14.8m respectively.

The Secretary of State said:

- (a) he was willing for his officials to discuss with Treasury colleagues procedures for controlling selective financial assistance through limits on the volume of offers and perhaps on the terms of payments where this was practicable. But whether this would satisfy the conditions which needed to be met for cash limiting to work remained to be seen, and what was possible in terms of expenditure control given sufficient end-year flexibility, might not be acceptable in relation to cash limit precedents.
- (b) that it was now for points of detail to be cleared up by officials. He wished his proposals to be seen as a package; it went as far as he could to meet the immediate and the wider concerns of the Treasury.

Conclusions

The Chief Secretary thanked the Secretary of State for his offers. Officials would need to consider the package and its detail, not only to ensure full understanding of the composition of the new figures but also their wider consequences for the future.

HM TREASURY
Parliament Street
LONDON, SW1P 3AG

21st ~~1984~~ September 1984

Distribution: Those present

DEPARTMENT OF TRADE AND INDUSTRY BILATERAL

1. General

The Secretary of State said he understood the Chief Secretary's concerns, described in the bidding letter, and his Department would play its part in reducing public expenditure. However, the DTT's spending had declined substantially in recent years; further substantial reductions were impossible, and the present large additional bids were the inevitable results of past policy decisions. The Secretary of State provided several diagrams which showed the changing composition of DTT's programmes. He said that further substantial reductions would require the breaking of contractual commitments and renegeing on Manifesto commitments.

The Secretary of State made three particular points:

- (a) The Treasury preferred not to anticipate the provisions necessary for programmes like launch aid. Additional bids were therefore inevitable once decisions were taken.
- (b) Additional bids had been made for regional development grants but the scheme was shortly to be reviewed in EA Committee. It was however clear that the only way to contain spending in 1985-86 would be to institute a moratorium on regional grants, and he was prepared to face that solution.
- (c) He was totally unwilling to accept responsibility for the heavy anticipated expenditures to the privatised British Telecom in respect of Civil Defence.

2. TTC/FES

The Chief Secretary suggested that the facility should be withdrawn. The Secretary of State responded that it offered useful support for UK exporters tendering in foreign currency at modest cost. He proposed that it should be retained but in view of the heavy losses incurred since it was introduced that it should be transferred from ECGD's trading account to public expenditure. Mr Gill also referred to PAC criticism of the propriety of the facility's inclusion on the department's trading account. The Chief Secretary proposed that ECGD should continue to carry TTC/FES on the trading account for at least 1985-86 with the tacit understanding that if the facility was continuing to make heavy losses the department could re-submit its bid to transfer it to public expenditure from 1986-87. In exchange he was prepared to accept the retention of the mixed credits matching facility which involved similar levels of expenditure. The Secretary of State agreed.

3. Transfer of refinance

The Chief Secretary said he would like to take up the option of transferring further refinance to the banks, whilst acknowledging that the public expenditure savings achieved would be cosmetic. It was agreed that officials should take this forward.

4. Switch from US dollar to sterling finance

(i) The Chief Secretary said that because of the high cost of US dollars, the growth of US dollar fixed rate export finance should be discouraged by loading the fixed interest rate for dollar financing. The Secretary of State pointed out that the assumed consequent savings in interest support expenditure were based on current economic assumptions which forecast that dollar interest rates would continue to be significantly higher than those for sterling; the position might well reverse. The Chief

Secretary replied that if the relative sterling and dollar interest rates did not develop as forecast it would be possible instead to discourage the use of sterling finance. It was agreed that officials should continue the work already in hand on ways of discouraging the use of dollar financing, and should report back to Ministers in time for the next round of public expenditure discussions.

The Chief Secretary said that the Economic Secretary had recently written to the Minister for Trade about ECGD's liability to take out loans in US dollars. It was agreed that there should be further discussion between officials before any talks with the banks about implementing the removal of ECGD's take-out provisions from new lending in dollars. It might be necessary to bring the issue back to Ministers for decision. The Chief Secretary said that this could have implications for the volume of dollar finance, and asked that the matter be pursued quickly so that the consequent public expenditure implications could be assessed in time for the Autumn Statement.

5. Manpower and Running Costs

It was agreed that discussion of ECGD's manpower requirements and running costs should be deferred until final decisions on the Matthews Report had been taken.

28 SEP 1984

