CONFIDENTIAL



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10 DOWNING STREET

LONDON SWIA 2AA

From the Private Secretary

SIR ROBIN BUTLER

1989 PUBLIC EXPENDITURE SURVEY

You will see from my letter of today's date to Carys Evans, that the Prime Minister has now agreed that a small group of Ministers should consider any outstanding public expenditure issues.

I understand from Andrew Turnbull in Blackpool that the Chief Secretary has now reached agreement with the Secretary of State on the education and science programme. Against that background, the Prime Minister is content that the group should compose:

> The Lord President of the Council Secretary of State for Employment Secretary of State for Trade and Industry Secretary of State for Education and Science Secretary of State for Health Chief Secretary of the Treasury

The Prime Minister would be grateful if you would now make the necessary arrangements.

Alco.

PAUL GRAY

13 October 1989

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