

CONFIDENTIAL



Treasury Chambers, Parliament Street SW1P 3AG

The Rt Hon Nicholas Ridley MP
Secretary of State for Trade and Industry
Department of Trade and Industry
1 - 19 Victoria Street
London
SW1H 0ET

W.B.P.M.
BAC6
23/10

20 October 1989

Dear Secretary of State,

1989 SURVEY: DTI RUNNING COSTS

Thank you for your letter of 6 October.

I note your proposal to reduce your running cost bid by £1 million in 1990-91. I would have wished for more but am prepared to accept it as part of our overall agreement. Our officials can now settle the detailed figures.

I welcome your review of your department's policies, functions and efficiency which will be completed in time for the 1990 Survey and which you expect to produce significant running costs savings beyond 1990-91.

I am copying this letter to the Prime Minister.

Yours sincerely,

P. Walters

PP NORMAN LAMONT

*[Approved by the Chief Secretary
and signed in his absence.]*

Econ Pol: Public
Expenditure 1983

