

Budget

Comments on Budget
1991.

G.H

Wide disagreement on analysis
on prescription

Position of British economy -
incl. "decadent."

Public spending = pay 25% v
last year.

Att. (i) Infl. down

(ii) Attitudes changing.

(iii) New jobs from new
enterprise.

Problems from high unemployment.

Comp down by election.

Nevertheless - living standards rising.
Exchange rate.

Wages taken from profits.

Personal income up.

Co. income down

Public spending for $4\frac{1}{2}\%$ GDP to
 $4\frac{1}{2}\%$ GDP.

P.S.R. - crucial link with
interest rates.

Press \int 11 bi. F.T. - shelter credibility
to far if more.

80-81. \int 13 $\frac{1}{2}$ bi from 18 $\frac{1}{2}$.

81-2 \int 15 bi unchanged policies

NI employee £1 b
 North Sea £1 b
 Bands £ $\frac{1}{2}$ b.

Ind. Tob.
 M. x 2
 Petr.

4 Pnd.
 14 Tob.
 60p Sp.
 20p petrol

VED £10

I. Tax. - No R.W.

Child Benefit. - 50p up.

Industry. - Energy Pricing.

- Large consumers of gas & electricity.

£120m
 - State Relief scheme. £450.
 - Dropping credit restud.

- Construction	120	
Charges in Dev. led Tax.	450.	22
Ind. Building Allowance		<u>L.S.</u>
	<u>to 752.</u>	

• Cap. Tax - hunting
 Amulchar to 10 years.

- CAT - Prior charges.

- Disabled.
- Increased Tax Blind.
 - Ex. V.A.T. for some items.
 - Improvement in Mobility etc.

Permis - up by 5%.

Enterprise.

V.A.T. threshold sp.

Co^o Tim - . . .

Help purchase of own shares.

Venture sp. - right to offset
losses.

Loan Guarantee scheme to
small business.

Business Start-up scheme.

£10,000 in new business
each year. to be
set against tax liability.

Int. Rates . Down. 2%

Future.

Output - recovery

Unemployment - sticking
but continuing to rise.

Infl. 10% - and
2 points down for
first half next year.

In eye of the storm.

Speakers.

L

Emp. Sec - Disappointment.
- Green.
- Reflectionary. -

Unemp. 3 to 3½ m.

Nothing of use to industry.

- 10½ to 11 billion
of
[Charity] 8½ to 14 b].

Politics in Britain - Down 15%
down
- Ind. 9%.

Ch. Indication - major ind.
cap. projects.
- Above Job Release Scheme

- they for more
opportunities.

Main obstacle for C. Park
gov.

K.T. \int 8 1/2 to 14 last year

Planned long term agreement

- that we should start for
higher PSOR.

- most important. Work
Int. Rules.

but more on exp. spending.

ex. p Private money
via Telecomm.

and others
- ? Home page ?

N.F.

Int. down

3

Int. down.

Start. to be supported strongly.

Private investment into

public sector industries.

Go private altogether.

J.B.

Crash Year.

Unprec. rise in exchange rate.

- damaging impact on

man. industry

P.SBR - caused out of control

- this will not occur for

year in prospect.

§ Exchange rate down

Recession - Int. level should turn

Budget will be unpopular.

But 2-3 bill more
add to all inflationary
prospects.

Broad balance right.

I. G.

- Budget will continue
contraction.

- wrong to make PIRB central
point.

- budget economically dampening
politically disastrous.

- faith rather than knowledge

P. W.

- concerned. Nothing to
stimulate production

- more unempl. up to 3.

- hip problems or T.M. front.

1 - N.T. cont.

- next 2 weeks p.

- for - etc p.

- school here, tobacco p.

- receipts for North Sea oil.

doll/denry budget - too

doll/denry.

P.H.

- Real ship. income have risen

- No guide answer to unemployment.

- reduce today's unemployment -
changing.

- ~~was~~ not to puff up P.S.B.R.

Sterling earnings. I.R. down.

Itang, to alter

- Industry - basis for sound future.

- be careful in language.

"energy prices moving upwards".

but in real terms will fall this year.

- Unemployment only be worsened by taking billions to economy.

C.S. - Budget or RPI?

- Balance of effect on Ind.?

∴ Ind. Prod. or Manufacturing this year? Extension?

creating problems with unions

Raini prob. in level of
unemployment.

No fear of future bellows
to economy.

- lifted? Capital?

J.N.

Consumption has risen.
in 3 years 17%.

G.P.P. by 2%.

Do not understand how anyone
can talk about deflation.

Have pumped more money in

16.5 trils 16.8 trils 18.6 trils

Have been inflating fast.

More money in foreign notes
in America

Line 2/2b - linear

but would involve starting

- I.R. down

- market system -

∴ go on getting inflation down

o - I.R. down

Only budget change. can have

- back it.

Change Party. - Agree?

City may be confident -

Ind. work.

Capital structure?

Disappointment.

- Political growth by not doing
Rosten. Uni. Lawson
and next.

- There - Differ dose of
same medicine.

Anti-inflation ?
Anti-unemployment ?

- How we prepare country.

P.J.

- Have to reduce balances
in economy

- Suggested that something
could be done in short
term on unemployment
would be misleading

There - Long conclusion that we

are winning though.

Downward trend in Inflation.

in Interest Rates.

Stake to it - Support.

R.W. - not automatic adjustment.
but built in l_{a}^h .

Personal incomes rising sharply
where output not.

Price protection a child benefit.

Shop Plus

100

Shop Plus requires on
need to keep personal incomes
under control.

Peter Templeton

- Cant. fault logic
- Main thrust is acceptable.
- 2 years but not working
- not on fault - but problem
of putting over budget of
this fund.
- budget decided

Would have hoped industry would
have been helped.

- 2% dismounted already
Worried about what Temp. has
said.
- not much work done level
of unemployment.
- concerned about more
unemployment.

- Social divisiveness - problem.

Hope can look at - situation for
unemployment.

- not this way of going
about things. In old days
this way of doing things
all right - not now.

- not to discuss budget but
previous meeting of
Cabinet.

N. E. - Don't take extra dynamic
view of world. E.

- most important - simple
things - fellow's interest and
attitudes have changed in willingness.

- disappointed, in that
can not be described as
industrial budget.

- more encouraging passage
on direct investment.
or on foreign field.

Q. 7. - Public works, not- right-
answer.

Q. 4. - Must keep on news.
- Loyalty to one another
- Not enough about investment
- Scope for verification on
return on investment.

Lid'ke.

- Worse than expected.

- Industry - effort on

Chief Whip.

- Teachers disappointed

50p. - make R.W. easier

- Hope Cbr. can NOT
repeat disagreement.

Outside this room.

This day - highly important
on morale.

Loyalty important.

W.W.

- Parson right -
Central judgment.

2nd red. - we must not
discount it.

- If we go too far - we have
to back track later.

Don't take rates now.

I.R. may have to go up
if you did.

Need to give HOPE.

Capital Expenditure?

Investment in public sector?
Especially Railways.

Local itineraries & hope.

Told by Chief Const. - unexp.
firm note to
invested time.

Burglaries - Liverpool, March, Glasgow
and Brighton.

Liverpool - must do something
about Liverpool.

- only one removal for -
Belfast.

Alternative route - greater
risk.

G. H. (i) RPI - 1% - 2%

Exchange rate effect:

- (i) Industry - neutral.
- (ii) Unemployment - will be moving down.

2.7 million this year.

J.P. ✓

K.J. ✓

M.F. ✓

G.B. ✓

I.G. ✓

P.W. ✓

D.H. ✓

C.S. ✓

J.N. ✓

? A. D. ✓

P.J. ✓

✓ Christ Whips.

P. Car ✓

M.S. ✓

N.E. ✓

Q.H. ✓

✓ W.W.

G.Y. ✓