



Cleary's  
meeting

9

10 DOWNING STREET

Secret & Personal

Mr Gregson

I attach a copy of the  
letters I have sent out commissioning  
work for Sept 6 + 7, + attachments.

I hope this will help you  
ready yourself for the post Aug 26  
task.

Michael Scholer

6/7/83





10 DOWNING STREET

*From the Private Secretary*

5 July 1983

*Dear John,*

STRATEGY FOR UNEMPLOYMENT

The Prime Minister plans to hold meetings at Chequers on Tuesday 6 and Wednesday 7 September, to consider what the next steps should be in Government strategy for creating a more enterprising and prosperous British economy, and thus reversing the growth of unemployment.

The Prime Minister would be grateful if the Chancellor would provide papers for the discussion at Chequers under the following headings:

1. What changes should be made to the taxation system, to tax rates, thresholds, allowances and other aspects of tax legislation or administration to reduce costs for industry and to stimulate the creation and expansion of new enterprises and to reduce unemployment?
2. Can the resources currently devoted to regional policy be better deployed to encourage the growth of lasting jobs?
3. What further progress can be made in the lifetime of this Parliament in privatisation, contracting out, and, generally, the opening up of the public sector to market forces?
4. Could public expenditure policies be altered to bring more to the fore the improvement of employment prospects?
5. Can an affordable scheme for portable pensions be devised? As an input to a paper on the subject, I am sending you, under separate cover, a paper produced by the CPRS.
6. Passport for a Job (minute by the Chancellor of the Duchy of 1 July).

Mrs. Thatcher particularly hopes that each paper will avoid generality and will concentrate on the specific decisions which need to be taken.

I would be grateful if you would ensure that these papers are sent to the Prime Minister by Friday 26 August at the latest.

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The Prime Minister has asked that these papers be produced by the Treasury's own resources, without any consultation outside the Treasury. She has also asked that the fact of the Chequers meetings be closely guarded, that this letter be seen by no-one except the Chancellor and yourself, and that in commissioning the above papers you do not disclose their occasion.

I enclose two notes by Alan Walters about recent academic work on unemployment, supplementary benefit and relative wages, to which reference was made at last week's Ministerial discussion; and a wide-ranging note which the Prime Minister believes will also form a useful background to the Chequers discussions.

*Yours sincerely,*

*Michael Scholar*  
—

John Kerr, Esq.,  
HM Treasury.