



DEPARTMENT OF HEALTH AND SOCIAL SECURITY  
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16 September 1980

Mr B Ingham  
Press Secretary  
10 Downing Street  
SW1

~~C. D. Vereker~~  
~~Not Done~~  
~~D. Langford~~  
O. Nelson

B.

Dear Bernard

As I think your office has already been warned, the Supplementary Benefits Commission publishes its final Annual Report on Thursday. The Commission is of course being abolished and we anticipate that its Chairman, Professor David Donnison, will take the opportunity to air some of his personal and critical views at the Commission's Press Conference at 2.30 on Thursday afternoon.

The burst of attention which the Report may get in Friday's newspapers may well prove to be a temporary embarrassment for Ministers, adding as it will to current criticism of economic strategies - and especially their effect on the poor.

Much of the Annual Report of the Commission is balanced and uncontroversial and some of it is even helpful to the Government. Not surprisingly, however, the Commission have not missed the chance of a last fling over some features of current policies which they dislike. Professor Donnison's Press Conference is therefore likely to be dominated by his criticism of the loss of value of child benefit, the 5% cut in short-term benefits, the level of unemployment and the failure to give the long-term rate to the unemployed, and finally, the impact of policies on the lowly paid worker.

It has not been customary for us to issue responses to previous SBC Reports and I very much doubt whether we shall depart from this practice this week. The Commission is of course independent and there is nothing we can or should do to suppress the criticisms which we know will come from the Commission in its final fling on Thursday.

I am copying these comments to Richard Prescott in case he wishes to alert PMG to this forthcoming element of irritation.

Best wishes

Yours sincerely

NEVILLE TAYLOR