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bcc John Verener Social Services

10 DOWNING STREET

From the Private Secretary

18 February 1982

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Announcement of Up-rating 1982

During their discussion yesterday the Prime Minister and the Chancellor had a further word about the timing of this year's social security up-rating announcement.

The Chancellor said that he remained of the view that the social security decisions needed to be taken in the Budget context: the Government would inevitably face questions about the effect of Budget decisions on families which could be answered sensibly only by reference to child benefit. He also saw difficulty about making an announcement about the shortfall on unpledged benefits while leaving the precise figure for up-rating until later.

After discussion, the Prime Minister said that, on reflection, she was content for him to include the up-rating announcement in the Budget.

I am sending a copy of this letter to David Clark (Department of Health and Social Security).

M. C. SCHOLAR

John Kerr, Esq.,
H.M. Treasury.

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Prime Minister

Yes
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Announcement of Up-rating 1982

I ought to record, for Norman Fowler's benefit, the conclusion of one part of your discussion with the Chancellor this evening - about the date of the social security up-rating announcement.

Content for me to say that you are, on reflection, ^{willing} ready for the Chancellor to include it in the Budget?

MCS 17/2