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Prime Minister

PRIME MINISTER

MS 24/2

## UPRATING OF PENSIONS AND OTHER BENEFITS

As you may know I had a meeting yesterday with a delegation from the National Federation of Old Age Pensions Associations (Pensioners' Voice) who represent a membership of about 400,000 pensioners. They had a number of points to make to me about pensions uprating, but their major point was to urge the Government to move back from the forecast to the historical method of uprating. They said that in this way we would avoid the annual problem (which the delegation accepted was an inherent part of the forecast method) which has confronted successive Governments of trying to guess the future rate of inflation. I of course maintained our present public position but I thought you would be interested to know this - which confirms my own view that a return to the historic method would be easier to argue.

I am copying this minute to the Chancellor of the Exchequer.

24 February 1983

  
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Social Services: Updating Social Security  
Benefits Pt 3