



10 DOWNING STREET

Prime Minister

The Chief Secretary (who will be accompanied by N Bailey) is coming to take you through the Treasury contention that public expenditure provision for Scotland, and to a lesser extent N. Ireland, is too generous

You will need to decide how, if you wish to proceed, to approach S/S Scotland. CST has volunteered a draft letter for you to send. Alternatively CST could write with your endorsement.

AT

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