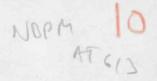
From: THE PRIVATE SECRETARY



AND PERSONAL

CMO





HOME OFFICE
QUEEN ANNE'S GATE LONDON SWiH 9AT

6 March 1984

Otav John,

PUBLIC EXPENDITURE AND TAXATION IN THE LONGER TERM.

The Home Secretary has seen the Chancellor's draft Green Paper on Public Expenditure and Taxation in the Longer Term. He agrees with the Prime Minister's view that the trends in the ratio of public expenditure to GDP should be presented using the PEWP definition rather than using general Government expenditure, a point which I raised orally with your Office last night. He has no detailed comments on the text other than those which have already been passed on by officials here, with which he fully concurs.

The Home Secretary believes that it is now of crucial importance to ensure that the document does become the basis for taking forward the debate on the important issues it raises. He would be interested to know whether consideration is being given as to how this might be achieved and would himself certainly wish to contribute in any way that would be helpful.

I am copying this letter to Andrew Turnbull (Number 10), to the Private Secretaries to other members of the Cabinet, to Murdo Maclean (Chief Whip's Office), Henry Steel (Law Officers' Department) and Richard Hatfield (Cabinet Office).

Yours sincorpy, Hyprimps,

H H TAYLOR

John Kerr, Esq