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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

5 October 1988

1988 PUBLIC EXPENDITURE SURVEY

The Prime Minister was grateful for the Chief Secretary's minute of 5 October.

The Prime Minister agrees that it would now be appropriate to establish a small group, under the Chairmanship of the Secretary of State for Energy, to consider any issues that are still unresolved after the Party Conference, and to make recommendations to Cabinet.

The Prime Minister has also commented that it is most important that any references to policy developments in Ministers' speeches to the Party Conference which have expenditure implications should be agreed with the Treasury.

I am copying this letter to the Private Secretaries to members of the Cabinet, the Minister for the Arts and for Overseas Development, the Attorney General, the Lord Advocate and to Sir Robin Butler.

PAUL GRAY

Miss Carys Evans, Chief Secretary's Office, H.M. Treasury.

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