

CONFIDENTIAL

SUBJECT

cc Master



no 15

MK

10 DOWNING STREET

From the Private Secretary

20 January 1983

Regional Policy

Review of Regional Policy

The Prime Minister and the Chancellor had a word this afternoon about the next steps in the Review of Regional Economic Policy, in the light of the Chancellor's minute to the Prime Minister of 30 December.

The Prime Minister said that her initial view had been that she would take the chair in a small group of Ministers (and I minuted Sir Robert Armstrong in this sense on 17 January). But now that she had decided to chair the group of Ministers on rates reform, she would prefer to leave regional economic policy to MISC 14 under the Chancellor's chairmanship. She would be grateful if the Chancellor would report to her the conclusions of MISC 14, and she would then consider whether any further discussion under her chairmanship would be required. The Prime Minister's immediate reaction is against the idea of proceeding to a green or white paper on regional policy, but rather for the Government to reach its conclusions and to publish them as a decision at the due time.

I am sending a copy of this letter to Richard Hatfield (Cabinet Office).

M. C. SCHOLAR

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

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