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BUDGET TIMETABLING - PART B
31ST DECEMBER 1980 - 12TH JAN 1981

cc Mr Byatt
Mr Dixon
Mr Battishill
Mr Corlett
Mr Todd
Float/FPCS

MR MIDDLETON

BUSINESS TAX OPTIONS FOR THE BUDGET

At your meeting on 19 December you asked Mr Todd, Mr Corlett and me to have a first shot at a background paper on the business tax issues based on Mr Todd's earlier note.

I am attaching a draft that we put together hastily yesterday. We thought that you might prefer to see it now rather than wait for a more polished draft so that you can consider whether the approach is broadly right.

The Chancellor's meeting on business taxation has been provisionally fixed for 29 January. FPC is due to meet next on 12 January and Mr Battishill has suggested that you may want to put the paper forward for discussion there. If so, we shall need to circulate it by close of business on Thursday, 8 January.

As requested, we are also preparing a shortened version of the paper reviewing the tax options in the business field that FPC saw before Christmas. If desired, this could be attached as an annex to your paper.



H. M. GRIFFITHS

20 December 1991

DRAFT

BUSINESS TAX OPTIONS FOR THE BUDGET

Introduction

This paper examines the case for providing assistance to the business sector through the tax system in the Budget.

2. It has been prepared by FP and DEU, in conjunction with IP, the Revenue and Customs.

Background

3. Against the background of a trend decline in the share of UK manufacturing in total output and in the share of UK exports in world trade, the business sector is in a state of severe financial imbalance. This is in contrast with the relatively strong financial position of the personal sector.

NAFA (Autumn Forecast) £b

	Industrial & Commercial Companies	Personal Sector
	£ billion	£ billion
1978-79	-0.9	9.7
1979-80	-2.8	11.4
1980-81	-2.6	16.3
1981-82	-1.9	14.1
1982-83	-1.3	11.2

4. Three main factors have contributed to this situation:

i. The general world recession.

ii. The sharp increase in domestic wage costs, which has harmed UK competitiveness, while benefiting the personal sector.

iii. The growth of the North Sea sector, accentuated by the rise in the real price of oil. This has improved the balance of trade, leading to a sharp appreciation of the exchange rate. Again, this has benefited the personal sector at the expense of business.

5. The cumulative effect has been a loss of competitiveness of about 40 per cent over the last two years. Within the tradeable goods sector, manufacturing has been particularly badly hit. The resulting decline in activity has affected some other sectors of the economy.

6. Given that the real exchange rate is bound to remain high because of North Sea oil, some adjustment within the economy is unavoidable. The effect of the exchange rate appreciation has, however, been compounded by the other factors set out in para 4. The business sector is, accordingly, being faced with a need to adjust more rapidly than anticipated; in sharp contrast, the personal sector has in some respects benefited from these factors.

The issues

7. The issues which arise from this analysis are as follows:

i. whether there is a case for assisting the business sector in these circumstances.

ii. if so, on what scale and over what time period

iii. to what extent tax measures have a role to play.

8. The remainder of this paper discusses these questions in turn.

The case for assisting the business sector

9. The case for providing some assistance in the Budget depends on the view taken on the nature of the adjustment which is required.

10. One view of the matter is that what is happening is a permanent shift in comparative advantage of the UK. On this analysis, the high real exchange rate is simply the signal which serves to bring about the necessary shift in real resources. Any attempt to offset this by specific help to, say, the manufacturing sector, is self-defeating; the adjustment process is best dictated by market forces.

11. An opposing view would be that the decline in the tradeable goods sector, and in particular the manufacturing sector, is inimicable to the UK's long-term interests and will have, in any case, to be reversed in due course when the oil runs out. On this view, intervention to preserve a manufacturing base would be justified.

12. Somewhere between these positions is the view that there is a case for some assistance which stops short of frustrating the long term required shift in resources, particularly out of manufacturing. There are several reasons why this might be regarded as appropriate:

- i. it is arguable that industry needs some general assistance, to help deal with short term financing problems
- ii. it is quite likely that the current level of the exchange rate will not be sustained over the medium term and that many businesses which are at present suffering from this "overshooting" would in fact be viable in more normal circumstances

iii. the speed of the adjustment is causing undue stress in some industries and regions, and selective help is needed to ease the transitional problems this causes

iv. the frictional costs of the adjustment process might be reduced and shortened if some encouragement could be given to potential growth points in the economy and helping the market forces to operate more effectively.

The scale of assistance

13. The scale and duration of assistance depends on:

i. the view taken of the nature of the problem in the light of the previous section

ii. the resources that can be made available for this purpose.

14. So far as ii. is concerned, one important question is how much can be taken out of the personal sector. On the one hand the personal sector has fared relatively well. On the other there are a number of constraints which are set out in the separate paper on personal taxation. In particular, in this context, there is the need to keep wage costs under control; the helpful trend in recent settlements should not be put at risk.

15. The decision on the amount of resources available will to some extent determine the form in which help can be given.

The role of taxation in any assistance

16. Tax is only one of a number of possible measures to help the business sector. A reduction in the PSBR and a lowering of interest rates, or specific expenditure measures, are other possibilities.

17. The view that there should be some general assistance to help with short term financing problems (paragraph 12i) points to action on business costs. The only really general tax measure here is the NIS. Other measures, such as anything in the corporation tax field, would inevitably exclude a good many firms. But any general measure which had a significant effect throughout the economy would be very expensive.

18. If the aim is to help those businesses which are suffering unduly from temporary overshoot in the exchange rate (para 12ii), then what is required is something which acts as a surrogate for an exchange rate depreciation. This would suggest measures directed at the trading sector. Existing tax instruments are not well suited to this purpose.

19. As for giving selective help to particular businesses or regions (para 12iii) tax again is not a particularly effective instrument. Direct intervention, eg by grants, is likely to be more effective.

20. Encouraging the take up of resources released in the adjustment process (para 12iv) points to a range of measures eg encouragement of new business, action to improve mobility and retraining^{and} removal of existing distortions. Tax measures may be able to assist here. For example, possibilities include reducing discrimination in the tax treatment of capital allowances or diminishing their value by an across-the-board cut in the corporation tax rate.

Conclusions

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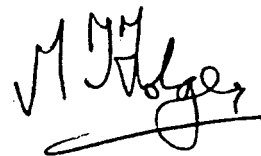
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MR WREN-LEWIS

cc Mr Cassell
Mr Unwin
Mrs Standler or
Mr Hood
→ Mr Shields HF3
Mr Smallwood PE2
Mr Thornton PE1
Mr Tyler FP2

BUSINESS TAX OPTIONS FOR THE BUDGET

1. I attended a meeting this morning, under Mr Griffiths' chairmanship, to discuss follow up to Mr Middleton's 31 December minute to Mr Griffiths, attached.
2. It was agreed that Mr Tyler would co-ordinate preparation of a tabular presentation on the lines suggested at Mr Middleton's paragraph 3. This will be very much on the lines of the tabular material we put to the Chancellor in the run-up to the last Budget and responsibility for the numbers does I think rest with MP2. You will therefore wish to contact Mr Hood and/or Mr Tyler soon: the intention seems to be to get together a paper, of which the tabulation will form a part, for circulation by the end of this week.
3. Mr Shields, PE1, PE2 and others have an interest in the results to be reported for easing up on nationalised industry prices (particularly energy) that bear on industry. Mr Shields' minute of 23 December to Mr Middleton set out some simulation results on that, the gist of which were reported to the Chancellor in Mr Middleton's submission of 31 December.



M T FOLGER

5 January 1981

Mr Griffith's

cc Mr Byatt
Mr Dixon
Mr Battishill
Mr Corlett
Mr Todd
Mr Shields

BUSINESS TAX OPTIONS FOR THE BUDGET

I hope that Mr Byatt and others will give their early comments, but I think the note is now on the right lines. Perhaps I could give my own reactions.

2. The reference to the exchange rate and the balance of trade in paragraph 4 iii seems topsy turvy. We had a sharp appreciation of the exchange rate before the improvement in the balance of trade.

3. There ought to be a reference to the possibility of making some adjustment in nationalised industry pricing policy - possibly in paragraph 18. One of my main concerns is to apply the same sort of analysis of all the possible ways of helping the company sector. In this connection it would be very helpful if we could have a tabular presentation of the measures which could be taken to give a large transfer to the company sector - including some modification in nationalised industry pricing policy - to refer for given interest rates to:

- a. the amount which would be transferred to companies
- b. broadly which companies these would be (newly created)
- c. the effect on the PSBR in the next two years
- d. the effect on the money supply over the same period.

We can then begin to get to grips with the sort of size change in personal tax, or the sort of change in interest rates, which might be needed to offset the monetary effects.

4. There is one other thing that needs adding to the paper somewhere. That is that the attitude towards measures which provide assistance fairly generally to the company sector will be affected by the decision which the Chancellor has yet to take on whether to tax bank profits as a separate issue.

P E M
P E MIDDLETON
31 December 1980

HF5

33/016

- 1 MR UNWIN
- 2 SIR DOUGLAS WASS

- cc Mr Wiggins (for info)
- Mr Burns
- Mr Ryrie
- Mr Middleton
- Mr Britton
- Mr Cassell
- Mr Monck
- Mr Turnbull HF5

BUDGET TIMETABLE: MONETARY POLICY AND THE BANK

1. Mr Lankester's 2 January letter to Mr Wiggins confirmed the Prime Minister's agreement to a Budget date of 10 March, to be announced on Thursday 15 January. The way is therefore now clear for a letter to the Bank to inform them of the timetable, with the hope of avoiding delays from that quarter of the kind that arose with the 1980 Budget (paragraph 7 of my 19 December submission to the Chancellor refers).

2. You mentioned to us before Christmas that you would be ready to write to the Governor yourself about this. Mr Monck confirmed to me that HF would see a letter at your level as likely to be more effective. Accordingly I now attach a short draft letter to the Governor, which I have cleared with Mr Monck. It seems best not to send a copy of the provisional schedule of internal meetings that formed Annex B to the 19 December submission: by exposing the detail of our game-plan that could encourage the Governor to argue the toss about the ordering of particular decisions. However there would be some advantage in sending the Governor a version of the chart of basic deadlines (Annex A to the 19 December submission) so that he is in no doubt about, and has no excuse for ignoring, the tight and complex timetable. Mr Monck has some doubts about this, in case the Governor thinks consideration of monetary issues is being rushed unnecessarily, but would not object strongly provided the bank levy references are removed from the Governor's version of the chart. A suitably bowdlerised version of the chart is accordingly attached in case you wish to send it. Given last year's experience we should probably bring the Bank into the picture as far as we can.

3. The decisions timetable agreed within the Treasury and endorsed by the Chancellor envisages, as explained in the draft letter to

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the Governor, a preliminary Chancellor/Governor discussion on 21 January about monetary policy. (That follows a 16 January meeting between Treasury officials and the Chancellor to go over both monetary policy and the fiscal stance.) So at least some initial advice on monetary policy needs to be got forward to the Chancellor by, say, 14 January. The briefing for the 21 January meeting will of course provide an opportunity for further monetary advice.

M T Folger

M T FOLGER

7 January 1981

I agree, & think myself that there would be advantage in giving the Governor a copy of the timetable.

Mr. Brown's paper for PCC next week, & the advice subsequently going forward to the Chancellor, will cover the broad monetary & fiscal issues arising for the Budget, so the Chancellor should have sufficient material for a sensible preliminary meeting with the Governor on 21 January at the shortest.

Jr
7/1/81

[REDACTED]

DRAFT LETTER FOR YOUR SIGNATURE

Write to:

The Rt Hon Gordon Richardson MBE
Bank of England
Threadneedle Street
LONDON EC2R 8AH

BUDGET TIMETABLE

1. I am writing to let you know that the Chancellor and Prime Minister have now firmly agreed on a Budget date of 10 March, which will be announced in the House on Thursday 15 January.
2. This date will allow decisions on monetary growth in the new target period and thereafter to be taken in the light of estimated monetary figures for banking January. There would be just the possibility of revising monetary decisions (though not the corresponding main fiscal decisions) in the light of the estimates for banking February, in the unlikely event that they ~~completely~~ undermined our earlier assessment.
3. The Chancellor is particularly concerned that decision-taking for this year's Budget should be better ordered and less pressured than proved to be the case in 1980. Accordingly he has endorsed for planning purposes a timetable ^[a copy of which I enclose] which envisages a preliminary meeting with you, on monetary policy, on about 21 January. With further meetings as necessary, including one in early February, the monetary decisions will then be reached by 6 February. The possibility of a tax on banks will also need to be considered at one of these meetings as of course will progress on the monetary control changes announced on 24 November, which will need to be announced in the Budget speech.

DOUGLAS WASS

cc PPS

21

33/016
Hrs.



TREASURY
12 JAN 1981
H.F.C.S.

H M Treasury

Parliament Street London SW1P 3AG

Switchboard 01-233 3000

Direct Dialling 01-233 3620

- Mr. Burns
- Mr. Rypie
- Mr. Middleton
- Mr. Britton
- Mr. Cassell
- Mr. Monck
- Mr. Mirin
- Mr. Turnbull
- Mr. Folger

+ 2

Sir Douglas Wass GCB
Permanent Secretary

The Rt Hon Gordon Richardson MBE
Bank of England
Threadneedle Street
LONDON
EC2R 8AH

8 January 1981

My dear Gordon,

BUDGET TIMETABLE

I thought you would like to know that the Chancellor and Prime Minister have now firmly agreed on a Budget date of 10 March. This decision will be announced in the House on Thursday 15 January.

I have been thinking about what the early Budget means in terms of the timetable for decisions, and we have worked out a programme which is set out in schematic form on the attachment. Most of the issues are of a fiscal kind where, apart from the target size of the PSBR, your interest will perhaps be peripheral - though I am sure the Chancellor will be interested in anything you have to say. But because of the need to lay down a new monetary target in the Budget we shall need to take your mind at quite an early stage. The timetable envisages a preliminary meeting between yourself and the Chancellor on monetary policy on or about 21 January. This may seem rather early, but, given the interaction of monetary and fiscal policy and the need to take some fiscal decisions very early in February, we can hardly wait longer before we get to grips with the monetary problem.

The Chancellor attaches great importance to taking decisions in good time and not leaving everything till the last minute. With this in mind he would like to settle the monetary issues with you by 6 February. To this end we have made provision for an additional meeting between yourself and him earlier that week by which time we shall have the banking January figures. Clearly we shall have to leave open the possibility that the February figures (available around 27 February) will cause us to reopen the decisions; but I hope that this could be regarded as a very undesirable eventuality.

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I hope this approach is agreeable to you. I am sorry about the note of hurry and urgency I have to strike, but all our past experience shows that Budget timetables need to be specified pretty precisely and, once specified, need to be adhered to.

I am hoping to be in the Bank on Friday of next week and we could, if you are free, perhaps have a word about the implications of this timetable for both of us.

Yours ever,

Douglas

DOUGLAS WASS

33/016

HFC

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(1-5)

MR BRITTON

cc Mr Pirie
Mrs Lomax
Mr Riley
Mr Turnbull
Mr Culpin
Mr H Davies
Mr Grice
Mr Shields
Mr Spencer

I attach a note designed to reflect the outcome of the discussion at Mr Ryrie's meeting yesterday with Messrs Burns, Middleton, you and me and our own exchanges before and after it.

2. It aims to give a rough idea of the content of the paper we must produce by the end of January and of the work that needs to be done as an input into it. It does not suggest conclusions but it will of course be useful to discuss substance at your meeting and in particular for those who already have work in hand to foreshadow their likely conclusions or non-conclusions where this can sensibly be done. But even where it can, it will not remove the necessity for getting the work done in a very tight timetable, particularly as Messrs Ryrie, Middleton and Burns want to see it as it emerges.

3. One piece of work I forgot to mention is something equivalent to simulations on the policy measures eg fiscal, needed to make a monetary target tighter than the one in the forecast, which the Chancellor hankers after, feasible.



N MONCK

8 January 1981

MONETARY POLICY AND THE BUDGET

Monetary Content of Budget Statement

Must include:

a. commentary on monetary experience to January/February 1981 and on recent monetary decisions;

b. new monetary target to maintain thrust of MTFS

- role of £M3 or other aggregate(s)
 - base, number, width ^{of} /range for target
 - status of target
- and updating of MTFS;

c. progress on monetary control. We have to produce full paper as basis for Budget decisions on substance and presentation by end of month at latest, though discussions with Chancellor in mid-January will start on basis of Mr Burns paper about the forecast etc.

2. Aim of full paper to set out monetary issues and options for decision, bringing out extent to which these turn on:

a. weight given to conflicting economic objectives;

b. fiscal (PSBR and sectoral balance) and other non-monetary decisions;

c. economic analysis and facts incorporated in cover paper or annexes;

d. uncertainties and hence judgements about interpretation of past and forecasts of future.

Issues to be Covered

3. The paper will probably not directly consider whether or not to continue to have a monetary target. Nor will it be able at that stage to deal comprehensively with progress on monetary control. But it will need to consider the following, though it is not intended as an exhaustive list:

- a. should we supplement (or replace) £M3 as the main medium term and wide target monetary aggregate?
- b. should we specify the significance and future operational role of other narrower aggregates;

("using different aggregates for different purposes or with different weights - giving say £M1 a greater role in the determination of short rates and £M3 a greater role in long rates")

- c. should we make use of other indicators for making interest rate decisions;
- d. what is the margin of error around forecasts for target aggregate and what is practical scope for using corrective instruments within 1981/82;
- e. what does analysis of recent monetary experience suggest about need for "claw-back" of 1980/81 overshoot and what does medium term forecast suggest about likelihood of claw-back after 1981/82 but within MTFE period?
- f. what are the main options for the new target (base, number, and size of range);
- g. what is the status of the target? How far:

- i. does it determine other Budget decisions;
- ii. does it carry a commitment to take corrective action later in 1981/82, and if so what sort?
- iii. is it "conditional" and, if so, in what sense and what should be said in public.

This is allied to

- iv. the question whether there is a "pragmatic" commitment to a target which is not vacuous ie a face-saving mask for having not settled criteria for decisions;
- all
- h. how does this relate to changes in monetary control - setting interest rate bands, operations within the bands, short term debt and a new series for M2. In practice should the new arrangements be as "accommodating" as Bank propose.

Work Required

4. We need to do the work in two stages: first preparing the analysis and then putting together the covering paper reflecting the results of the analysis and its probable limitations. The analysis or material we need might be settled after discussion of the following provisional list:

- a. a paper on the behaviour and significance of the narrow aggregates and of EM3 and the broader aggregates.

This would be focussed on the responsiveness of the different aggregates to policy instruments, their relationship to final objectives, and their suitability as a guide to current monetary decisions on interest rates etc;

- b. options and problems for "multiple targets".

This will need to cover the likely relationship between the size of targets for say two different aggregates in 1981/82 and separately to the problems of taking decisions on policy instruments during the target period if one or both of the targets diverge from the desired path in either direction;

- c. recent monetary experience.

This would be designed to answer the questions whether there has been a change in the relationship between monetary growth and other macro-economic developments, if so whether it is likely to be temporary or permanent, and what policy conclusions this suggests for the desirability of claw-back or for qualifying monetary targets (or choosing whether to aim for the top or bottom of a wide range) in relation to some other variable. If not done elsewhere, it might also aim to draw conclusions on the relevance of non-monetary indicators eg nominal incomes, inflation for monetary decisions, as well as making more precise the significance of the exchange rate and sectoral balance;

- d. pieces on paragraphs 3d and e above;

- e. the meaning of conditional monetary targets in principle and in the proclaimed and actual practice of other countries, with special emphasis on conditions related to the exchange rate and intervention.

33/016

TR
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H.F.C.

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C1-11

FINANCIAL SECRETARY

H.F.C.

- cc Chancellor of the Exchequer
- Chief Secretary
- Minister of State (C)
- Minister of State (L)
- Sir Douglas Wass
- Mr Ryrie
- Mr Middleton - 87/2
- Mr Monck
- Mr Unwin
- Mrs Gilmore
- Mr Chambers
- Mr Godfrey

PROVISION OF DOCUMENTS OUTSIDE GOVERNMENT AND THE PRESS ON BUDGET DAY

1. One issue identified by officials as requiring action for the 1981 Budget is Treasury practice in issuing documents to outside organisations other than the press. This minute describes the position that has emerged over the years and seeks your endorsement of proposals that have been drawn up to save expenditure on the Treasury Vote from the 1981 Budget onwards.

Present Position

2. Present practice can be considered in two parts. First there has been a long-standing arrangement to hold in the Treasury, for collection once the Budget speech has been delivered, envelopes addressed to over 90 different organisations and containing sometimes several free copies of the Budget documents - the FSBR, associated Command Papers (including for the first time last year the PEWP) the Speech and Press Notices. The organisations concerned are listed at Annex A. A major reason for this practice has been the difficulty of distributing the documents through the usual channels - the HMSO bookshops - when they cannot be released until the Chancellor has finished his speech. You will see that the list is composed largely of accountants, banks, stockbrokers, consultancy firms and others who naturally like to have definitive Budget documents on the evening of Budget day so that they can prepare advice for clients overnight.

3. Quite separately the Chancellor's Office sends similar batches of documents, again free of charge, to a much smaller "courtesy" list of about 25 non-press outsiders ranging from the TUC and CBI,

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through EC and other Embassies and various High Commissions, to the Shadow Chancellor and the Leader of the Opposition.

Need for Economy

4. Clearly the free provision of documents should be kept to a minimum, particularly now that we have to pay HMSO from Treasury Votes for all printed material with which they supply us and for the paper etc. used to produce photocopies of things like the Budget Speech. Although it is hard to put exact costings on existing practice, to supply even 90 organisations with just one copy of each of the speech, PEWP and FSBR would have cost us £1500 or so even pricing the relevant documents at last year's cover prices.

Proposals

5. We have gone carefully through the list at Annex A and are satisfied that, provided we make alternative arrangements to make available the relevant documents on Budget afternoon, we should no longer provide any of the organisations concerned with material free of charge.

6. Mr Chambers and the IDT Group have over the last few months been discussing the best way of placing on sale, on the afternoon of Budget Day, copies of the Budget documents. Briefly the system they have agreed to be feasible is that, providing orders have been placed in advance, organisations can continue to call at the Treasury to collect limited quantities of documents which will be accompanied by an invoice. (Charges will be HMSO cover prices for Cmnd papers and the FSBR and, depending on length, about £2 for the Speech and Snapshot/Summary taken together.)

7. We are satisfied that with the provision of alternative facilities for the purchase of documents, none of the organisations previously lucky enough to receive free copies will have real grounds to complain about the change of practice. However some are well-connected and may complain publicly - to which our response would be to stress the need for the Treasury itself to cut out unjustifiable spending.

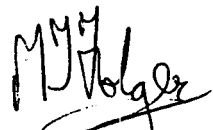
8. Subject to your approval of the new system, IDT propose to write to each of the organisations at Annex A (and to about 30 others previously treated as part of the Press, or hitherto refused supply of documents) to notify them of the arrangements to take effect with this Budget. A draft of the kind of letter we intend to send is at Annex B.

9. All the above has concerned the organisations who collect their documents from the Treasury. We have also considered the arrangements applying to those who, as explained in paragraph 3, are sent copies of Budget documents. Having regard to the practicability of invoicing and collecting small amounts of money from those concerned and to the fact that the list is a pretty irreducible minimum of those who can properly expect "courtesy copies" we have concluded that free provision should continue. However we propose to trim the range of documents and numbers of copies provided, particularly for the expensive PEWP. The proposed distribution is at Annex C.

Conclusions

10. We recommend that you:

- (i) ~~endorse the proposal to end the provision of free documents for the organisations listed at Annex A~~
- (ii) note the proposal to introduce new arrangements for the sale of documents and to write to the organisation concerned in the terms of the letter at Annex B
- (iii) note the slightly reduced scale of provision of free documents to the "courtesy list" of recipients given at Annex C



M T FOLGER

12 January 1981

DISTRIBUTION OF BUDGET DOCUMENTS - 26 MARCH 1980

	COMPANY	Speech	PNs	PEWP/Gv. Pps.	FSBR
INES	60 ARTHUR ANDERSEN & Co.	1	1	-	-
Winstey	61 ARTHUR YOUNG'S McCLELLAND MOORES & Co	1	1	-	-
Harvey	62 ASSOCIATION OF RETAIL DISTRIBUTORS	1	1	-	-
OKabe	63 THE BANK OF JAPAN	1	1	-	-
P Brookhouse	64 BANKERS TRUST Co,	1	1	-	-
nts Roffe	65 BARNES ROFFE & Co	1	1	-	-
S A Barakat	66 BARCLAYS BANK INT	1	1	-	-
Beattie	67 BARTRUM, ROTH & Co	1	1	-	-
me Friend	68 BASS LIMITED	1	1	-	-
Rayward	69 BAT. INDUSTRIES LIMITED	1	1	-	-
Wilson	70 BENN	1	1	-	-
s Morris	71 BICC LTD	1	1	-	-
h. Newman	72 BINDER HALLYN	1	1	-	-
J Ring	73 BL LIMITED	1	1	-	-
E Norman	74 BRITISH-AMERICAN TOBACCO Co LTD	1	1	-	-
M Muller	75 Assoc. of BRITISH CHAMBERS OF COMMERCE	2	2	-	-
Mac William Kain	76 BRITISH MULTIPLE RETAILERS ASSOCIATION	1	1	-	-
Keith Mason	77 BUTTERWORTHS	1	1	-	-
J. Turner	78 CAPEL, CUNE & MYERS	1	1	-	-
	79 JAMES CAPEL & Co.	1	1	-	-
Chalmers, Impey & Co.	80 CHALMERS, IMPEY & Co	1	1	-	-
	81 CHARTERED INSTITUTE OF PUB. Fin + Acc'ty	1	1	-	-
R Dewhurst	82 JF CHOWN & Co LTD	1	1	-	-

DISTRIBUTION OF BUDGET DOCUMENTS - 26 MARCH 1980

LE	COMPANY	Specch	PNs	PEWP/GrPps	FSBR
J. Smith	83 COMPREHENSIVE FINANCIAL SERVICES LTD	1	1	-	-
ay	84 CONSTRUCTION ACTIVITY RESEARCH	-	1	-	-
news	85 COOPERS + LYBRAM	1	1	-	-
rd	86 COURAGE	1	1	-	-
ve	87 CROWN LIFE	1	1	-	-
rrort.	88 DEARDEN FARROW	1	1	-	-
Campbell	89 ELECTRICITY COUNCIL	1	1	-	-
Whinney	90 ERNST + WHINNEY	1	1	-	-
icklan	91 FEDERATION OF CIVIL ENGINEERING CONTRACTORS	1	1	-	-
st	92 FINLAY ROBERTSON	1	1	-	-
love	93 FIELDING NEWSON SMITH	1	1	-	-
artin (242 1616)	94 GKN	1	1	-	-
per/DFV Ashby	95 GRINDLAYS BANK LTD	1	1	-	-
Williams	96 THE GUTHRIE CORPORATION LTD	1	1	-	-
	97A GRIEYSON GRANT	1	1	-	-
	97 GREENWELLS	1	1	-	-
ll	98 HAYS ALLAN	1	1	-	-
cowle	99 HEDDEMCK STIRLING GRUMBAR	1	1	-	-
aron	100 HOAKE GOVETT LTD	1	1	-	-
iverson	101 HOAKE GOVETT LTD	1	1	-	-
San, Harris	102 HODGSON, HARRIS & CO.	1	1	-	-
Hardman	103 INSURANCE AGE	1	1	-	-
RGW Cold	103A INSTITUTE OF CHARTERED ACCOUNTANTS	1	1	-	-
Cork & Co.	104 JOLLIFFE CORK & CO.	1	1	-	-
Greaves	105 KH PUBLICITY LTD	1	1	-	-
B. Lipkin	106 KIDSOWS	1	1	-	-
B Litwack	(5) KNIGHT FRANK & RUTLEY	1	1	-	-
		24	24	5	5

DISTRIBUTION OF BUDGET DOCUMENTS - 26 MARCH 1980

NAME	COMPANY	Speech	PNs	PEMP/G. Pps	FSBR
Fellner	108 LAURIE, MILBANK & CO	1	1	-	-
Mohan	109 The LIFE OFFICES' ASSOCIATION	1	1	-	-
Pratt	110 LEGAL + GENERAL	1	1	-	-
Dicks	111 LONDON BUSINESS SCHOOL	1	1	1	1
	112 MARKS AND SPENCER LTD	1	1	1	1
MacIntyre Hudson	113 MACINTYRE HUDSON	1	1	1	1
Congdon	114 MESSELS	1	1	-	-
Hardy	115 MITCHELL & CO	1	1	-	-
Tulloch	116 MORISON STONEHAM & CO	1	1	1	1
	117 MULLOYS	1	1	-	-
Stansfield	118 The NATIONAL FARMERS' UNION	1	1	-	-
Linwood	119 NATIONAL WESTMINSTER BANK LTD	1	1	-	-
Batter	120 NEVILLE RUSSELL ASSOCIATES	1	1	-	-
Keenan	121 GEOFFREY NEWMAN & Partners	1	1	-	-
Caldecott	122 NOBLE LOWNDES PENSICONS LTD (Amicus copy etc. as 7m, if possible)	1	1(2)	-	-
Moore	123 NIESR	1	1	1	1
Manick, Middel	124 PEAT, MARWICK, MITCHELL & Co.	1	1	-	-
Gordon	125 PANMURE GORDON & CO	1	1	-	-
	126 PHILIPS + DREW	1	1	1	1
D Ross	127 POWELL DUFFRYN LTD	1	1	-	-
?	128 PRICE WATERHOUSE & Co	1	1	-	-
Austa	129 PROPERTY GROWTH ASSURANCE Co LTD	1	1	-	-
JBR	130 ROBSON RHODES	1	1	-	-
Rowe & Pitman	131 ROWE & PITMAN	1	1	-	-
		24	23	6	6

DISTRIBUTION OF BUDGET DOCUMENTS - 26 MARCH 1980

REF	COMPANY	Speech	PNs	PNs/Pgs	FSBR
1, Nevill & Co	132 ROWLAND, NEVILLE & CO	1	Snapshot only.	-	-
Thomas	133 ROWE RUDD & CO	1	1	-	-
134	ROWLEY PEMBERTON GROUP SERVICES	1	1	-	-
-	135 RUSSELL GREER	1	1	1	1
Civral	136 SAVE AND PROSPER	1	1	-	-
Thornton	137 SAYERS BUTTERWORTH	1	1	-	-
de	138 J. H. SCHRODER WASS & CO LTD	1	1	-	-
Smith	139 SEARS HOLDINGS LTD	-	1	-	-
Scott	140 CARR SEBAGS	1	1	1	1
E Adams	141 SELECTION TRUST BUILDING	1	1	-	-
Carson	142 SHELL UK LTD	1	1	-	-
A DeLoford	143 SHELL UK ADMINISTRATIVE SERVICES	1	1	-	-
Wds + Chase	144 SHEPPARDS + CHASE	1	1	-	-
?	145 SHIPLEY BLACKBURN	1	1	-	-
Harvey	146 TOLLEY'S TAX GUIDE	1	1	1	1
Gale	147 UNIGATE (Taxation Dept)	1	1	-	-
P Lyon	148 VICKERS DA COSTA	1	1	1	1
Chalmers	149 WEDD DURLACHER MORDAUNT & Co	1	1	-	-
W. Batt.	150 WILLIS, FABER & DUMAS LTD	1	1	-	-
S Gibb	151 WILLIAMS & GLYNS	1	1	1	1
W. Over	152 De ZOETE & BEVAN	1	1	-	-
E COPY OF	<u>SPEECH</u> TO COLIN ROWLEY (See Item 34).	21	20	5	5

Annex B

DRAFT OF A LETTER TO BE SENT TO ORGANISATIONS NO LONGER TO RECEIVE
FREE DOCUMENTS

PROVISION OF DOCUMENTS AT BUDGET

1. Your organisation has been one of a number which in recent years has been accustomed to send a representative to the Treasury on the afternoon of Budget day to collect, free of charge, copies of various Budget documents.

2. These arrangements have recently been reviewed in the light of the continuing need for economy in expenditure by the Treasury as by other departments and with effect from the 1981 Budget the provision of all Budget documents free of charge on collection will be ended except for members of the Press. Recognising that some organisations find it convenient to call at the Treasury to pick up documents on the afternoon of Budget day, arrangements for this will continue, but a charge will be made for documents provided. The arrangements are described below.

3. For ease of distribution, documents will be available in packets as follows:-

- i. Speech, Summary/Snapshot and Press Notices.
- ii. As above, but including the Financial Statement and Budget Report (the "Red Book") and all Command Papers issued in connection with the Budget.

The packets will be available in limited numbers and not more than two of each kind can be made available to any one organisation. The HMSO cover price will be charged for the FSBR and Command Papers. There will be no charge for the Press Notices provided in the packets but charges will be made for copies of

the Speech and of the Summary/Snapshot to cover printing and handling costs. (Assuming documents of the same length as in 1980, the charge will be about £2.00 for the Speech and the Summary/Snapshot together.)

4. The packets of papers will be available for collection at the Treasury only against advance orders. Invoices will be enclosed with each package issued. If you wish to continue to receive Budget Day documents on collection, would you please complete and return the attached order form as soon as possible (and not later than 17 February 1981). Following receipt of your order we will notify you of the precise collection point from which your representative may collect the packets you have ordered.

5. If you have any queries about the new arrangements Mr G Haydon on extension 7565 here will be pleased to discuss these with you.

S F J GODFREY

BUDGET DOCUMENTS: ORDER FORM

G Haydon Esq
90/2
HM Treasury

Please reserve for -----
the following sets of documents on Budget Day No of copies
(max. two sets)

packet type 1. Text of Speech, Summary/snapshot
and Press Notices

packet type 2. Text of Speech, Summary/snapshot,
Press Notices, FSBR and Command Papers

I understand that an invoice will be enclosed with the documents.
I agree to pay the amount stated on it.

Name -----

Position: -----

Organisation: -----

Telephone Number: -----

The package, addressed as above, will be available for collection from HM Treasury 15 minutes after completion of the Chancellor's Speech in the House of Commons. Directions to the precise collection point will be sent to you following receipt of your order.

Proposed practice on distribution to non-government, non-press recipients of courtesy copies of Budget documents (additional to that given in lists attached to Mr Hall's minute of 27 March 1980)

recipient	Number of copies PEWP	Other Cmnd Papers	FSBR Speech	Checklist/Snapshot (single document from 1981)	PNs	Resolutions
NEDO	-	3	3	3	3	-
CBI	2*	3	3	3	3	-
TUC	2*	3	3	3	3	-
Conservative Research Department	2	3	3	3	3	-
Canadian, Australian, NZ, High Commissions; EC, Japanese & US Embassies	-	13	13	13	13	-
Chairman Conservative Finance Committee	1	1	1	1	-	-
Clerk TCSC	1	1	1	1	-	-
Chairman TCSC	1	1	1	1	-	-
Chairman PAC	-	-	1	1	-	-
Mr Speaker	-	-	1	1	-	-
Leader of Opposition	1	1	1	1	-	-
Shadow Chancellor	1	1	1	1	-	-
Chairman IRSF	-	1	1	1	1	1