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PART C

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PART C

papers on Parliamentary Business

CHANCELLOR'S 1988 PAPERS
ON PARLIAMENTARY
BUSINESS AND THE
LEGISLATIVE PROGRAMME

PO -CH /NL/0196

PART C

PART C

Begin: 27/5/88

DD: 25 years

Ends: 29/7/88

7/9/95

BF to
✓ Alex 26

FROM: A P HUDSON
DATE: 27 May 1988

2-PHF

MR R SAVAGE

cc PS/Chief Secretary
PS/Financial Secretary
PS/Economic Secretary
Miss Simpson

TREASURY FIRST ORDER QUESTIONS, THURSDAY 16 JUNE 1988

The Chancellor has seen your 26 May minute.

2. He does not wish to transfer any of the questions down to, and including, no. 22, except for number 14.

3. He has revised the allocation of questions between Ministers as follows.

1. CST
2. FST
3. Chancellor
4. CST
5. FST
6. CST
7. Chancellor
8. FST
9. Chancellor
10. EST
11. Chancellor (plus 18)
12. EST
13. FST
14. *Transfer*
15. EST
16. Chief Secretary
17. Chancellor
18. Chancellor
19. FST
20. EST



21. Chancellor
22. CST
23. FST
24. EST
25. FST.

4. In the light of circumstances nearer the time, he may wish to transfer question 3 to the Economic Secretary. Briefing for questions 12 and 15, both of which are already for him, should take account of this.

APH

A P HUDSON

Ch/ this is currently with FST for approval

PRIORITY WRITTEN
MONDAY 13 JUNE 1988

You will want to be aware.

La - Dunfermline E.

mpw. ✓

MR GORDON BROWN: To ask Mr Chancellor of the Exchequer, to give a table showing the number of tax units by marginal rate of tax at present in receipt of Private Medical Insurance paid for a) in whole or b) in part by their employer.

MR GORDON BROWN: To ask Mr Chancellor of the Exchequer, to give a table showing the average value of Private Medical Insurance by Marginal Rate of tax for those in receipt of Medical Insurance as a fringe benefit and the cost of introducing full tax relief on insurance at each of these marginal rates.

MR GORDON BROWN: To ask Mr Chancellor of the Exchequer, to give the estimated cost of full tax relief on all existing Private Medical Insurance over and above that already granted tax relief.

MR GORDON BROWN: To ask Mr Chancellor of the Exchequer, to give the estimated cost of tax relief on premiums on private medical insurance if the Private Medical Sector were to achieve a turnover of a) 0.7bn b) 1bn c) £2bn d) £3bn e) £4bn per year.

DRAFT REPLY *FST.*

The table below shows the estimated number of directors and higher paid employees, (ie those whose earnings plus benefits exceed £8,500 per year) receiving the benefit of employer-paid private medical insurance benefits, the average value of this benefit and the direct revenue cost which would arise if this benefit were exempt from tax.

Net private medical insurance benefits provided by employers - 1988-89.

	Numbers (thousands)	Average value of benefit (£)	Cost of exemption (£ million)
Basic rate taxpayers	530	280	37
Higher rate taxpayers	255	430	43
Total	785	330	80

/A reliable breakdown of

How much of this is basic rate, how much are ~~basic~~ extra 15%?

A reliable breakdown of the number of recipients of this benefit between those for whom the employer pays all of the premiums and those where only part of the premium is paid is not available since information on employer-paid premiums which are re-imbursed in whole or in part by the employee is not reported to the Inland Revenue in all cases.

The cost of granting tax relief on private medical insurance premiums paid by individuals, assuming no behavioural changes, is estimated to be about £150 million in a full year at 1988-89 levels. The cost of relief for private medical insurance premiums at the various alternative levels of turnover for the private medical sector suggested by the Hon. Gentleman would depend on the distribution of the alternative level of premiums between policies paid by individuals and by employers and also on the marginal tax rate of the individuals and employers.

/BACKGROUND NOTES



J R CALDER

STATISTICS DIVISION/IR

14 JUNE 1988

1. These four questions are all related to tax relief on private medical insurance and it is convenient to answer them together.

2. The first question asks for the number of recipients of the benefit of employer-paid private medical insurance premiums, broken down by marginal tax rate and by whether the employee contributes to the cost of the premiums. Many employees receiving this benefit may make some contribution towards the premium for their policy or, more commonly, towards the premium for the cover for their family. As only the net benefit, after deducting contributions made by the employee, is taxable, it is thought that many employers will report only the net taxable amount of benefit to the Inland Revenue on the P11D form. We cannot therefore produce a reliable estimate of the number of employees who make a contribution towards employer-paid premiums.

3. Total expenditure on private medical insurance premiums in 1986 was £614 million and, on the advice of DHSS, we have assumed that the total value of subscriptions might increase by about 10 per cent per annum: this suggests expenditure of about £770 million in the financial year 1988-89. On the basis of projections of the results of the 1985-86 survey of expenses and benefits, we have estimated the following breakdown of the total premiums paid:

Premiums paid by employers for directors and higher paid employees (net of employee contributions)	= £260 million
Premiums paid by employers for employees earning less than £8,500 per year	= £ 35 million
<u>Contributions made by employees to employers</u>	<u>= £140 million</u>
Gross employer payments	= £435 million
<u>Premiums paid by individuals</u>	<u>= £335 million</u>
Total payments	= £770 million

4. The net taxable value of the benefit of private medical insurance is estimated to be £260 million and the cost of exempting this benefit from tax is shown as £80 million in the draft reply. Just over half of this cost is attributable to higher rate taxpayers.

5. Mr Brown has also asked for the cost of full tax relief on existing private medical insurance. A projection from the 1985 Family Expenditure Survey suggests that the cost of tax relief, in 1988-89 terms, on ~~one~~^{the} estimated £335 million of private medical insurance premiums paid by individuals would be about £105 million. To this we have added £45 million to take account of relief on the estimate of contributions made to employers for employer-paid premiums, giving £150 million as the total cost of relief for individuals.

6. The cost of relief for premiums paid by individuals and of exemption of the benefit of employer-paid premiums from tax is therefore estimated to be about £230 million in 1988-89 terms.

7. In addition to asking about the cost of tax relief on the existing level of private medical insurance cover, Mr Brown has also asked for the cost on various alternative levels of turnover which might result from the granting of tax relief. The cost of additional relief will depend on the marginal tax rate of the payer of the extra premiums and on whether additional premiums are paid by individuals or employers.

8. Copies of replies to recent Parliamentary Questions on tax relief and private medical insurance are attached. The reply given on 1 March 1988 to the questions from Mr Churchill and Mr Brown shows the cost of tax relief on private medical insurance at 1987-88 levels. The costs in 1987-88 and 1988-89 are, by coincidence, identical since the assumed growth in premiums is offset by the reduction in tax rates.

PQ

379/87

PARLIAMENTARY DEBATES OF
(DAILY REPORTS) 1-3-88
VOL. 128 No. 105 COL 949.

Mr. Churchill: To ask the Chancellor of the Exchequer if he will estimate the annual cost of providing tax relief on private medical insurance.

Mr. Gordon Brown: To ask the Chancellor of the Exchequer how many people in receipt of medical insurance as a fringe benefit are currently eligible for tax relief on the premium; what is the cost to the Exchequer of this relief; and what estimate he has of the projected cost to the Exchequer of extending eligibility to tax relief to all those covered by private medical insurance.

Mr. Norman Lamont [*holding answers 29 January 1988*]: I regret the delay in answering these questions.

The direct revenue cost, at 1987-88 levels, of giving relief at marginal rates of income tax on private medical insurance premiums, including contributions made by employees towards employer-paid premiums, is estimated to be about £150 million. If the benefit of employer-paid premiums paid on behalf of directors and of employees with earned income of £8,500 per year or more were also exempted from income tax, there would be an additional cost of £80 million. These estimates make no allowance for any behavioural changes. Granting tax relief on private medical insurance would be expected to lead to an increase in the number of subscriptions and to an increase in the cost of relief.

It is tentatively estimated that, in 1987-88, about 150,000 employees receive the benefit of private medical insurance from their employer but are not taxed on the benefit because their earned income is below £8,500 a year. The cost of this exemption is of the order of £10 million.

PQ 382/87

PARLIAMENTARY DEBATES OF
(DAILY REPORTS) 1.3.88
VOL. 128 NO. 105 COL 448-449

Mr. Gordon Brown: To ask the Chancellor of the Exchequer what information he has on the average medical insurance premium paid per taxpayer in receipt of private medical insurance as a fringe benefit for the years 1978-79 to 1987-88; and how many taxpayers have been in receipt of such benefit.

Mr. Norman Lamont [*holding answer 29 January 1988*]: I regret the delay in answering this question.

Information is available in respect of the years shown. The benefit of employer-provided private medical insurance premiums was taxable for all employees up to 1981-82 but only for directors and for employees with earned income of £8,500 a year or more from 1982-83 onwards. The estimates of the number of recipients relate to the number of taxpayers liable to tax on the benefit and exclude employees earning below £8,500 per year where appropriate. The average premium is net of any contribution made by the employee to the employer.

	<i>Numbers</i>	<i>Average net premium £</i>
1980-81	¹ 315,000	100
1983-84	¹ 530,000	150
1985-86	625,000	250
1987-88	² 735,000	300

¹ Excludes married women in receipt of the benefit.

² Projection.

These estimates are derived from the surveys of expenses and benefits. I regret that information is not available for the intervening years.

PQ

432/87

PARLIAMENTARY DEBATES OF
 (DAILY REPORTS) 1.3.88
 VOL. 128 No. 105 COL. 448

Private Medical Insurance

X **Mr. Nicholas Bennett:** To ask the Chancellor of the Exchequer by what amount the private medical insurance premium tax offset rule reduced the revenue received from income tax in 1985-86 and 1986-87; and what is the estimated figure for 1987-88.

✓ **Mr. Nicholas Bennett:** To ask the Chancellor of the Exchequer how much the medical insurance premium tax offset rule would yield in the current years if it applied (a) for earnings of less than £12,500 per annum, (b) for earnings of less than £15,000 and (c) for earnings of less than £20,000; and whether he has available any estimates of the yield in previous years.

Mr. Norman Lamont [*holding answers 8 and 9 February 1988*]: I assume that my hon. Friend is referring to the £8,500 earnings threshold below which employees are not in general taxable on benefits in kind provided by reason of their employment. These rules have applied since 1982-83 to private medical insurance.

It is tentatively estimated that the cost of exempting employees who earn less than £8,500 from tax on employer-provided private medical insurance premiums is of the order of £10 million in each of the years 1985-86 to 1987-88.

The table shows the estimated direct revenue yield in both 1985-86, the latest year for which data are available and the projected yield in 1987-88 arising from the taxation of the benefit of employer-provided medical insurance received by directors and by employees with earnings above the thresholds shown.

<i>Earnings threshold £</i>	<i>Estimated yield 1985-86 £ million</i>	<i>Projected yield 1987-88 £ million</i>
8,500	58	80
12,500	49	70
15,000	45	65
20,000	29	50

C. Andrew



FROM: J M G TAYLOR

DATE: 17 JUNE 1988

2 pmp

PS/FINANCIAL SECRETARY

- cc Mr Culpin
- Mr Cropper
- Mr Calder - IR
- Mr Mace - IR
- Mr Eason - IR
- Miss White - IR
- PS/IR

[Handwritten signature]

**PRIORITY WRITTEN PQ FROM GORDON BROWN (741/87)
ON CHANGES IN INCOME TAX AND NIC**

The Chancellor has seen Mr Calder's note of 17 June.

2. He has commented that these are very important and useful tables, which need to be summarised for use in general tax briefing. Mr Hudson is preparing a short draft press release drawing on them.

3. He has also commented, however, that the tables need plus signs in the "real change" columns (apart, of course, from the first two figures in each column).

Jf

J M G TAYLOR

*N.B. Progressivity
More progressive within lower rates.*



INLAND REVENUE
STATISTICS DIVISION
SOMERSET HOUSE

FROM: J R CALDER

DATE: 17 JUNE 1988

FINANCIAL SECRETARY

There are v. important & useful talks, which have been summarised for use in general tax budget (x1) but for grateful

**PRIORITY WRITTEN PQ FROM GORDON BROWN (741/87)
ON CHANGES IN INCOME TAX AND NIC**

1. I apologise for the delay in providing a draft reply to this PQ from Mr Gordon Brown.
2. The Question asks for the number of tax units paying more income tax and NIC in 1988-89 than in 1978-79 both in real terms and as a proportion of their income. We cannot answer in the precise terms of the Question, since we would need a ten year cohort study to record the changes in each individual's liability. In any case such a comparison would be of doubtful value because it would be heavily influenced by individual changes in employment, income, mortgage relief etc.

*papers short
a
distr
press
release*

cc. PS/Chancellor
Mr Culpin
Mr Cropper

Mr Calder
Mr Mace
Mr Eason
Miss White
PS/IR

*done for me
on
2. The talks need
press sign
What I
have
available*

3. However, in the Budget speech the Chancellor said that the top 5 per cent of taxpayers were paying a third more income tax in 1987-88 than in 1978-79 while the remaining 95 per cent were paying about the same. This point has been discussed extensively since then and the present Question can be seen as an extension of it to all taxpayers and to include NIC. We therefore expect that Ministers will want to provide some further information in support of the Chancellor's point (but in relation to 1988-89).

4. The draft reply has been prepared using the distributions in 1978-79 and 1988-89 of gross income liable to tax of those single people or married couples who were of working age and were liable to pay some tax or NIC. The distributions have been divided into tenths (decile groups) and the average tax and NIC liability for the two years for each corresponding decile group compared.

5. The comparisons are quite favourable, showing

(a) tax and NIC liability in real terms has fallen for the lowest two deciles, risen slightly in the centre of the distribution, and risen quite strongly for the top two deciles. The reasons are well known : tax allowances have increased more than incomes at the bottom of the distribution, the basic rate for 1988-89 is down to the reduced rate in 1978-79, and reduced NIC rates have been introduced; and at the top, strong rises in earnings have increased tax revenues.

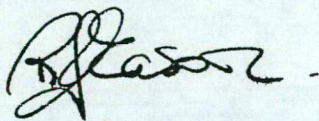
(b) for all deciles, the proportions of income taken in income tax and NIC have fallen. The falls are somewhat larger for the bottom and top deciles.

6. The draft Answer includes separate tables for married couples and single people to demonstrate that, despite the rather different pattern of income, the same general conclusions apply to each group.

7. There are a number of caveats about the approach adopted in the draft Answer and the accuracy of the estimates. We have detailed these in the Background Note, which also includes further analysis for the elderly and for income tax separately from NIC. We would not suggest offering any of these further analyses to Mr Brown. The Background Note also refers to a superficially similar analysis recently given to Mr Nigel Griffiths.

8. You will recall recently refusing to provide Mr Brown with information for 1988-89 on the distribution of total income including working and non-working households. The Answer (10 June, Hansard col 701) - attached - referred him to the CSO analysis for 1984-85 in the November 1987 issue of Economic Trends. The tables in the present draft reply cover only income liable to tax or NIC and exclude households without liability.

9. Finally, I should mention that the costs of preparing this draft Answer have substantially exceeded the advisory cost limit for PQs. The major cost (and the delay) was incurred in developing a 1978-79 computer file of tax records which also included NIC liability. Further costs have been incurred in developing a form of analysis and presentation to answer the Question with relatively reliable and helpful statistics. We consider that the extra costs were justified as the estimates are a worthwhile addition, in their own right, to our existing statistics [and the computer file is likely to be useful for the production of other analysis in the future].



For J R CALDER

premiums, employees' superannuation contributions and the business expansion scheme. The total direct revenue yield from abolishing these reliefs is estimated at £6.7 billion. The capital gains tax cost would be small.

The net effect of abolishing these reliefs and the higher rate of tax would be a yield of some £3 billion. This estimate includes the consequential effects on revenue from capital gains tax on disposals in 1988-89. The income tax component makes no allowance for possible behavioural effects arising from the changes.

Taxation Changes

Dr. Reid: To ask the Chancellor of the Exchequer if he will make it his policy to publish at the time of his Budget statement a full study of the redistributive effects of the taxation changes he is introducing.

Mr. Norman Lamont: There are no plans at present to add to the substantial amount of information already published on the effect of Budget proposals.

Incomes

Mr. Nicholas Brown: To ask the Chancellor of the Exchequer if he will publish figures showing, for families with one to four children, the income break-even levels, in £ sterling per week as a percentage of average male manual earnings, at which child benefit entitlement is the same as income tax liability.

Mr. Norman Lamont: The table sets out the weekly income levels for a married man whose wife is not working at which income tax liability equals child benefit entitlement at 1988-89 levels.

Break-even levels

Number of children	£ per week	As a percentage of average male manual earnings ¹
1	107.75	52.0
2	136.75	65.9
3	165.75	79.9
4	194.75	93.9

¹ Average manual earnings for male aged over 21 working a full week are estimated to be £207.40 per week in 1988-89.

Mr. Gordon Brown: To ask the Chancellor of the Exchequer if he will give for 1978-79 and 1988-89 or the most recent year available the total income before and after tax at constant prices for (a) the top 1 per cent., (b) the top 5 per cent. and (c) the top 10 per cent. and each 10 per cent. thereafter down to the bottom 10 per cent., including both working and non-working households in the figures and the percentage of income before and after tax accruing to each group.

Mr. Norman Lamont [holding answer 7 June 1988]: Estimates for the years 1978-79, 1981-82 and 1984-85 of shares of income, before and after tax, received by quantile groups are contained in "The distribution of income in the United Kingdom 1984-85", published in the November 1987 edition of *Economic Trends*.

Income Tax

Mr. Harry Greenway: To ask the Chancellor of the Exchequer if he will estimate the income tax remitted to taxpayers at all levels since 1979; and if he will make a statement.

Mr. Norman Lamont: The amount of income tax remitted to taxpayers at all levels since 1979 was:

Year (to 31 October)	Amount (£ thousand)
1979	39,617
1980	45,091
1981	55,020
1982	70,143
1983	93,721
1984	126,905
1985	138,468
1986	187,088

Tax is written off where there is no reasonable prospect of recovery — for example, because the taxpayer is insolvent.

Corporation Tax

Mr. Austin Mitchell: To ask the Chancellor of the Exchequer whether he will publish in the *Official Report* his estimate of the gain to the revenue in a full year of increasing the rates of corporation tax and advance corporation tax, respectively, to 52 per cent.

Mr. Norman Lamont: The yield from increasing the main rate of corporation tax to 52 per cent. would be about £11 billion at 1987 levels of company profits and dividends. The additional yield from increasing the advance corporation tax rate and small companies rate to 52 per cent. would be about £2 billion. These estimates take no account of possible behavioural effects following such a change.

Inland Revenue (Pre-paid Envelopes)

Mr. Matthew Taylor: To ask the Chancellor of the Exchequer if he will make a statement concerning the decision of the Inland Revenue to cease the practice of enclosing pre-paid envelopes in correspondence with taxpayers.

Mr. Norman Lamont: I refer the hon. Gentleman to the answer I gave on 29 January 1988 at column 420 and to the Inland Revenue press release of the same date.

Mortgage Interest

Mr. Soley: To ask the Chancellor of the Exchequer what has been the total cost of mortgage interest tax relief for the United Kingdom as a whole and for England, also expressed in terms of the cost per mortgagor receiving tax relief and the cost per owner-occupied dwelling, for the financial years 1979-80 to 1987-88; and what is the estimated cost in respect of 1988-89.

Mr. Norman Lamont: Estimates for the United Kingdom for the years 1979-80 to 1988-89 and for England from 1979-80 to 1982-83 are given in the table. Figures for 1983-84 onwards include the cost of relief given to non-taxpayers.

PRIORITY WRITTEN
MONDAY 23RD MAY 1988

La - Dunfermline E

MR GORDON BROWN: To ask Mr Chancellor of the Exchequer, what is the number and proportion of tax units who will be paying more income tax and national insurance in real terms in 1988-89 than in 1978-79; and what is the number of tax units who will be paying a higher proportion of their gross income in tax and national insurance in 1988-89 than in 1978-79.


DRAFT REPLY

I regret the delay in replying. Information is not available to provide estimates about the experience of individuals in the form requested.

The tables ~~below~~ are therefore based on the distributions in 1978-79 and 1988-89 of the gross earnings and investment income of married couples and single people aged under 65 who would be liable to pay income tax or National Insurance Contributions. The changes between the two years in average liability in real terms, and the proportions of income paid in income tax and National Insurance Contributions in each year, are shown for the corresponding deciles of each distribution. The estimates are provisional.

[TAKE IN 3 TABLES]

/BACKGROUND NOTES


J R CALDER
STATISTICS DIVISION/IR
17 JUNE 1988



Mr. Tyrie

I attach a different version of the Gordon Brown PQ press release.

If you don't like it, then revert back to your own - I thought it was fine, except for the statement that "everybody loses less of their income in taxation >-) NICs can be used to" which either has no meaning or isn't true!

A. N.

cc. Mr. Hudson

Labour have asked how many people are paying more in income tax and NICs this year than in 1978/9. The poorest 10% are not. They have seen their tax and NIC burden fall by a fifth in real terms. The big increase in the burden has been for the top 10% of earners. They have seen the amount taken in tax and NIC rise by a quarter, despite the fact that the top rate of tax has been cut from 98% to 40%.

New figures released today by the Treasury show that throughout the entire income distribution the proportion of income taken by tax and NIC has declined significantly since 1978/79. The poorest 10% now pay less than 10% of their incomes in tax and NIC.

What the figures also show is that the tax and NIC system is more progressive today than it was in 1978/79 - the proportionate burden on the top 10% is now nearly three times greater than the tax and NIC burden facing the bottom 10%. In 1978/79, the proportion of income taken in tax and NIC for the top 10% was only 2½ times the corresponding proportion for the bottom 10%.

Commenting today on the new figures Norman Lamont, Financial Secretary to the Treasury, said:

"We have always said that it is possible to increase the amount of revenue available to pay for our ever-improving public services and to pay off the huge public debts we inherited from Labour, not by raising tax rates but by cutting them. These figures show that despite the cuts in tax rates which every single taxpayer in this country has enjoyed since 1978/79 the total tax and NIC take has risen in real terms by 15%.

And within that, the tax take has increased most dramatically from the top 10% of the population - the very people our opponents are always claiming have had the largest tax cuts !

Our tax policies have proved to be a winning combination

- lower tax rates for all;

- higher revenue for the Exchequer;

- lower receipts from the poor, and higher receipts from the rich.

We have now a modern, progressive and productive tax system".

RESTRICTED

FROM: A G TYRIE

DATE: 21 JUNE 1988

MR A HUDSON

CC

Mr Culpin
 Mr Calder
 Mr Mace *Brown*
 Mr Cropper
 Mr Call

THE GORDON BROWN PQ

Here are the ideas we discussed, in draft. The first couple of lines read slightly oddly, for the obvious reason that we are not answering Brown's question!

I think another point for briefing to journalists is that Labour (and Gordon Brown) have not thought through properly what they're asking. They have failed to grasp that although the overall level of the tax burden has gone up slightly the main change has been a switch from the personal tax side to a burden on companies. In a sense industry has paid for successive personal tax cuts. Brown and co were hoping that these figures would show an increase in the personal tax burden.

Presumably, he has also failed to grasp the significance of the introduction of NIC steps at the bottom end which improve these average figures for the bottom decile substantially.

Nevertheless, Brown may claim that 80% of people's tax bills have risen since 1978-9. ~~So from these figures he can claim~~
and that people on modest incomes are paying more tax than under Labour. Of course, we can point out that they're earning more
 > and welcome Brown's conversion to ^{low low} ~~less~~ taxation. All the same, these figures are not favourable from every angle.

Handling

Since we chatted I have thought about this a bit more. I am pretty sure that the key to presenting these numbers is not a press release (I'm not even sure we need one) but ~~pretty~~ political and aggressive press briefing to journalists.

The significance of these numbers is quite difficult to grasp at first sight. Even if we do some spoon-feeding quite a few of our customers are going to choke on them.

I would welcome comments and factual corrections from copy recipients.

A G TYRIE

RESTRICTED

*Pl. add a sentence:
I would welcome comments
& factual corrections from
copy recipients.*

*Pl. forwards to the
Rev.*

MR A HUDSON

FROM: A G TYRIE

DATE: 21 JUNE 1988

cc Mr Cropper
Mr Call

*Calder IR
Mace IR
PS/chaudhry*

THE GORDON BROWN PQ

Here are the ideas we discussed, in draft. The first couple of lines read slightly oddly, for the obvious reason that we are not answering Brown's question! *The answer to his question is 80% of taxpayers?*

I think another point for briefing to journalists is that Labour (and Gordon Brown) have not thought through properly what they're asking. They have failed to grasp that although the overall level of the tax burden has gone up slightly the main change has been a switch from the personal tax side to a burden on companies. In a sense industry has paid for successive personal tax cuts. Brown and co were hoping that these figures would show an increase in the personal tax burden.

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The significance of these numbers is quite difficult to grasp at first sight. Even if we do some spoon-feeding quite a few of our customers are going to choke on them.

*Waverthlen, ~~we measured Brown's PA properly~~ ~~claim that 80% of people's tax bills have risen since 1978-9.~~
So ~~from~~ from these figures he can claim that people on modest incomes are paying more tax than under Labour.
- Read a review of the class.
point out that they're earning more + welcome Brown's conversion to low taxation. All the same, these figures are not good news in full pos favourable from every angle.*

A G TYRIE

DRAFT PRESS RELEASE FOR THE CHANCELLOR ON GORDON BROWN'S PQ

LABOUR'S OWN GOALS / Labour's Broken Nose .

Labour have asked how many people (who?) are paying more in income tax and NICs this year than in 1978/9. It is not the poorest 10% of taxpayers - They have seen their tax and NIC burden fall by a fifth, in real terms. On the contrary, The big increase in tax payments (the tax burden) has been for the top 10% of income earners. They have seen the amount taken in tax rise by a quarter, in real terms.

What's more, the figures show clearly that everybody loses less of their income in taxation and NICs than they used to. And the bottom 10% of income earners have seen the proportion of their income taken in tax come down the most. //

But this isn't the first time Labour have had a shock.

Before the election last year Labour asked what proportion of income tax is paid by the top 5% of income earners now, compared with 1979. To their astonishment and dismay, Labour discovered that the top 5% of income earners pay 28% of the total income tax taken, compared with 24% under Labour in 1979.

The reason: nobody paid Labour's absurd marginal rates of tax at 83% and 98%. And precious few people saw their real incomes rise either.

The message of these figures is clear: under this Government everyone has seen their real take home pay go up and everyone has seen less of it taken in income tax and NICs. Furthermore,

the better off are shouldering a larger burden, the less well off a smaller one.

This isn't what Labour wanted to hear. Nor is it the first time that Labour have ^{aimed a shot, and seen it go into their own goal,} broken their own nose when they threw a punch.)

BULL POINTS

- i. The average income tax and NIC liability of the bottom 20% of income earners has fallen substantially. And the bottom 10% has seen their average burden drop the most. It has fallen by a fifth in real terms. *[but you could counter that incomes have risen much more slowly at the bottom end]*
- ii. The top 20% of income earners have the highest average liability to income tax and NICs and the top 10% have seen their average burden rise the most. It has risen by 25% in real terms. *[but you could point out that they have awarded themselves massive pay rises]*
- iii. Everybody loses ^{a smaller proportion} less of their income in taxation and NICs than they used to. *And they are earning more.*

ix

Blank

**Married Couples and Single People Aged Under 65
Liable to Income Tax and National Insurance Contributions
Ranged by Gross Income**

Distribution by Gross Income Deciles ⁽²⁾	Real change ⁽¹⁾ in average liability to income tax and NIC 1978-79 to 1988-89 %	Proportion of Gross Income paid in income tax and NIC	
		1978-79 %	1988-89 %
Lowest 10%	-19	12	9
Second	- 3	18	15
Third	+ 2	21	19
Fourth	+ 1	23	20
Fifth	+ 7	23	21
Sixth	+ 7	23	21
Seventh	+12	23	21
Eighth	+15	24	21
Ninth	+20	25	22
Highest 10%	+ 26	31 <i>2.58</i>	26 <i>2.89</i>
All	+15	25	22

(1) Calculated by reference to the forecast movement in the index of retail prices between 1978-79 and 1988-89.

(2) Each decile in 1978-79 contains 1.95 million married couples and single people and in 1988-89 1.96 million.

*N.B. Plus 18%
needs when
adjusted.*

**Married Couples Aged Under 65
Liable to Income Tax and National Insurance Contributions
Ranged by Gross Income**

Distribution by Gross Income Deciles ⁽²⁾	Real change ⁽¹⁾ in average liability to income tax and NIC 1978-79 to 1988-89 %	Proportion of Gross Income paid in income tax and NIC	
		1978-79 %	1988-89 %
Lowest 10%	-11	11	9
Second	- 3	18	15
Third	2	20	17
Fourth	5	22	19
Fifth	12	22	20
Sixth	16	23	20
Seventh	18	23	21
Eighth	23	24	22
Ninth	24	25	22
Highest 10%	30	32	27
All	19	24	22

(1) Calculated by reference to the forecast movement in the index of retail prices between 1978-79 and 1988-89.

(2) Each decile in 1978-79 contains 1.14 million married couples and in 1988-89 1.07 million.

*Plus sign
needs an
option table.*

Single People Aged Under 65
Liable to Income Tax and National Insurance Contributions
Ranged by Gross Income

Distribution by Gross Income Deciles (2)	Real change (1) in average liability to income tax and NIC 1978-79 to 1988-89	Proportion of Gross Income paid in income tax and NIC	
		1978-79	1988-89
	%	%	%
Lowest 10%	-29	9	6
Second	- 5	14	12
Third	4	18	16
Fourth	10	21	20
Fifth	13	23	22
Sixth	10	25	23
Seventh	11	26	24
Eighth	15	27	24
Ninth	14	28	24
Highest 10%	20	32	26
All	13	25	22

(1) Calculated by reference to the forecast movement in the index of retail prices between 1978-79 and 1988-89.

(2) Each decile in 1978-79 contains 0.81 million single people and in 1988-89 0.89 million.

plus sign (etc).

BACKGROUND NOTES

1. Mr Brown's question cannot be answered by comparing tax and NIC liability for each individual taxpayer over the 10 year period since matching records are not available centrally. Such comparisons would, in any event, be of doubtful value since each individual's liability will depend on many factors, for example whether they stay in employment and their career progression over the decade.

2. The draft reply is therefore based on comparing the distributions of tax units of working age liable to NIC or income tax in 1978-79 and 1988-89 when ranged by gross income. Results are given for each decile, and the tables attached give some comparable figures for income tax and NIC separately. Estimates are tentative and provisional for the following reasons.

(A) NIC for 1978-79 has been imputed onto the existing income tax file using available data and some simplifying assumptions.

(B) For both 1978-79 and 1988-89, NIC imputation does not take account of all possible categories of NIC, for example married women optants.

(C) 1988-89 estimates are based on a projection of the 1985-86 survey of personal income.

3. The analysis by deciles does not show any cases where the proportion of income paid in tax and NIC has risen from 1978-79 to 1988-89. There may be narrow bands of the distribution where increases occur, but the average change for each decile is always a decrease.

4. The information in the draft Answer has not been provided previously. A recent reply to Mr Nigel Griffiths on 17 May (copy attached) gave estimates of ranges of earnings where income tax and NIC are a smaller proportion of earnings in 1988-89 than in 1978-79. That reply also gave estimates of numbers of people in those ranges of earnings in 1988-89.

5. The specimen income approach used in the reply to Mr Griffiths does produce cases with increases at some low levels of earnings, but that approach assumed that no other allowances or reliefs are claimed and that everyone's income remains a constant multiple of average earnings. In practice, reliefs have increased since 1978-79 and low incomes have not increased as quickly as higher incomes. Both these factors help reduce the likelihood that any particular groups of taxpayers will be paying a higher proportion of their income in tax and NIC in 1988-89.

6. The analysis in the draft reply has been restricted to those of working age, since the elderly are not liable to NIC. Table 1 (attached) shows income tax figures for the elderly. Because of strong growth in incomes of taxpaying elderly, their liability has increased in real terms at nearly all levels. We advise against publishing separate analyses for the elderly, because the strong growth in their incomes and the greater spread of occupational pensions make accurate estimation and interpretation difficult.

7. Table 2 shows income tax and NIC separately for those of working age. The figures for income tax alone generally show reductions between the two years while the NIC tables show increases. Because tax thresholds in both years are higher than the starting point for NIC, the bottom deciles in the income tax analysis include cases with NIC liability but no income tax liability. If the analysis were restricted to those liable to income tax (and not to tax or NIC) the comparison for income tax would appear a little less favourable.

[Handwritten signature]
17/6

FOR BACKGROUND NOTES ONLY

TABLE 1

AGED TAX UNITS

Distribution by Gross Income Deciles	Real change in income tax liability		Proportion of income paid in income tax	
	1978-79	1988-89	1978-79	1988-89
	%	%	%	%
<u>Single People</u>				
Lowest 10%	41		1	2
Second	41		3	4
Third	37		5	6
Fourth	33		7	8
Fifth	20		10	9
Sixth	23		12	12
Seventh	15		16	14
Eighth	14		19	16
Ninth	12		24	20
Highest 10%	57		37	29
All	38		20	19
<u>Married Couples</u>				
Lowest 10%	86		1	2
Second	69		3	5
Third	39		6	6
Fourth	43		7	8
Fifth	37		8	9
Sixth	28		11	10
Seventh	29		15	14
Eighth	13		19	16
Ninth	0		23	17
Highest 10%	16		37	27
All	16		20	17

FOR BACKGROUND NOTES ONLY

TABLE 2

TAX UNITS AGED UNDER 65

Distribution of Gross income Deciles	Real Change in Liability		Proportion of Income paid	
	1978-79 %	to 1988-89 %	1978-79 %	1988-89 %
<u>Income Tax</u>				
Lowest 10%	-30		6	4
Second	-14		12	9
Third	-14		15	12
Fourth	-15		17	13
Fifth	-11		18	13
Sixth	-10		18	14
Seventh	-5		18	14
Eighth	-2		19	14
Ninth	5		20	16
Highest 10%	18		27	22
All	2		20	16
<u>National Insurance Contribution</u>				
Lowest 10%	-8		6	5
Second	20		6	6
Third	45		6	7
Fourth	52		5	7
Fifth	70		5	7
Sixth	70		5	7
Seventh	73		5	7
Eighth	80		5	7
Ninth	83		5	7
Highest 10%	82		4	4
All	67		5	6

Ch/ Is X right?

mpw (Yes)

passed on
mpw

To ask
Her Majesty's Government whether they have now revised their
estimates of the trade deficit for this year and if so why?

Moina

The above question has been tabled by Lord Hatch for
oral answer in the Lords on Wed 29 June. If
available, I assume the Chancellor would prefer Lord Young,
to one of the second string Treasury spokesmen?
(Mr. Hubbard, E.A.I., is taking the lead in briefing)

27/6



CH/EXCHEQUER	
REC.	28 JUN 1988
ACTION	SIR. P. Middleton
COPIES TO	

QUEEN ANNE'S GATE LONDON SW1H 9AT

27 June 1988

PM

Dear Peter,

REFORM OF SECTION 2 OF THE OFFICIAL SECRETS ACT 1911

I was interested to see your minute of 16 June to the Prime Minister.

I agree that there is always a risk of a Crown servant - whether a Minister or an official - acting in good faith but going further than he intended or was wise. But I do not think there is any real risk of prosecution in such circumstances. In any event, the present proposals do not increase the risk of prosecution. On the contrary, they reduce it. In the first place, the accused will have a defence (not available to him under the present law) that he did not realise that his disclosure was likely to result in the specified harm or that he believed with reasonable cause that he was authorised to make it. Second (although this is a detail not apparent from the text of the White Paper), it is proposed that the Bill should make it an offence for a Crown servant to disclose information "contrary to his official duty", rather than (as at present) "to a person other than a person to whom he is authorised to communicate it". The new formula puts the burden of proof on the prosecution in the normal way rather than appearing to put it on the defence as the present law is seen as doing. It was recommended by the Franks Committee, whose report discussed the point you have raised, as reflecting more closely the actual practice of the Civil Service and as sufficient to ensure that a Crown servant would not be convicted in the absence of mens rea. Where, for example, an information officer made an error of discretion, I do not think it could be established that he was acting contrary to his official duty. If, however, he had been specifically instructed not to disclose a particular piece of information, but did so, he would in principle be liable, although that is not to say that he need always be prosecuted.

Bearing in mind the converse problem, of officers using an appearance before a Select Committee or pressure from the press as an excuse for deliberate disclosures contrary to their Departmental duty, I do not think it would be wise to extend further formal protection in such circumstances.

The Rt Hon Peter Walker, MBE., MP.

/over

2.

On your second point, I accept that the withdrawal of the criminal law from many types of information will, at least on the surface, reduce the inhibitions of those who wish to disclose or who seek access to such information, and that disciplinary arrangements have an important part to play in protecting it. But, in judging how much of a sacrifice this is, we must bear in mind the difficulty of actually obtaining a conviction in such circumstances under the present law, given the climate of feeling against its use in cases which are merely embarrassing. By the same token, if it can no longer be argued that section 2 is merely a repressive instrument for obtaining convictions against people who are guilty only of professional misconduct, if that, there should be a better chance of convictions and salutary sentences in the most important cases.

I am copying this letter to the Prime Minister and other Cabinet colleagues.

Lee,
Dwyer.

PHJ

From: THE PRIVATE SECRETARY

CONFIDENTIAL

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

CH/EXCHEQUER	
REC.	28 JUN 1988
ACTION	<i>SIR P. Middleton</i>
COPIES TO	



✓ 28/6

28 June 1988

Dear Nigel,

LAUNCH OF THE WHITE PAPER ON REFORM OF
SECTION 2 OF THE OFFICIAL SECRETS ACT 1911

.....

The Home Secretary thought that his Cabinet colleagues might find it helpful to have the attached question and answer summary of the Government's proposals for the reform of section 2 of the Official Secrets Act 1911 which will be set out in the White Paper to be published tomorrow.

I am copying this letter and the summary to the Private Secretaries to all Cabinet Ministers and to Sir Robin Butler.

Yours sincerely,
P J C Mawer
P J C MAWER

N L Wicks, Esq., CB.

CONFIDENTIAL

CONFIDENTIAL

until 3.30 pm on 29/6/88.

THE GOVERNMENT'S PROPOSALS FOR THE REFORM OF SECTION 2 OF THE
OFFICIAL SECRETS ACT 1911

Section 2 of the Official Secrets Act 1911 makes it an offence for any person to disclose any information acquired by a Crown servant or government contractor in the course of his duties. The scope of this law has long been recognised as far too wide. But there has been no general agreement on the way in which the law should be reformed. The Government considers that the time has come for a further attempt to be made to narrow the scope of the law. It has put forward proposals which it believes would mean that the criminal law would protect, and protect effectively, that information, and only that information, which cannot be disclosed without the serious risk of unacceptable harm to the public interest.

What information would be covered by new legislation?

The Government's proposals cover six categories of information. These are: information relating to security or intelligence, to defence or to international relations, information obtained in confidence from other governments or international organisations, information whose disclosure would be likely to be useful in the commission of offences or in helping a prisoner to escape and information about or obtained by the interception of communications.

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Would it be an offence to disclose any information in these categories?

It would be an offence to disclose any information obtained in confidence from other governments or intergovernmental organisations or any information whose disclosure would be likely to be useful in the commission of offences or in helping a prisoner to escape or any information about or obtained by the interception of communications. It would also be an offence for a member of the security or intelligence services or someone working closely with the services to disclose any information relating to security or intelligence.

But it would only be an offence for someone else to disclose information relating to security or intelligence if the disclosure was likely to damage the operation of the security and intelligence services. Similarly it would only be an offence to disclose information relating to defence if the disclosure was likely to prejudice the capability of the armed forces to carry out any of their defence tasks or to lead to a risk of loss of life, injury to personnel or damage to equipment or installations or to prejudice dealings between the Government and the government of another state or an international organisation. And it would only be an offence to disclose information relating to international relations if the disclosure would be likely to jeopardise or seriously obstruct the promotion or protection of

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United Kingdom interests abroad or to prejudice dealings between the Government and the government of another state or an international organisation or to endanger the safety of a British citizen.

Who would decide whether information was useful in the commission of offences or whether the disclosure of information relating to security or intelligence, defence or international relations would be likely to lead to the specified harmful consequences?

These would be matters for the courts alone to decide. The prosecution would have to produce evidence to prove these questions beyond reasonable doubt and the defence would be able to put forward its own evidence to rebut the prosecution case.

What happens if the person who disclosed information relating to security or intelligence, defence or international relations did not know what the specified harmful consequences were likely to result?

If he is a Crown servant or government contractor, he will not be guilty of an offence if he can satisfy the court, on the balance of probabilities, that he did not know or have any reason to believe that the consequences of his disclosure were likely to be

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harmful. In any other case the prosecution will have to prove, beyond reasonable doubt, that the accused did know or have reason to believe that harmful consequences were likely to result from his disclosure.

What if the information has already been made public?

The Government considers that the disclosure of information relating to or obtained by interception and of information obtained in confidence from other governments or intergovernmental organisations is harmful in all circumstances, whether or not the information has previously been made public. For the disclosure of the remaining categories of information the prosecution will have to show that, despite the fact that the information has previously been made public, the disclosure is likely to be harmful: it will have to prove that the information is still useful in the commission of offences or escape from custody or that the disclosure of information relating to security or intelligence, defence or international relations would be likely to result in the specified harm.

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What about a person who makes a disclosure because he believes the public have a right to know certain information?

The object of the Government's proposals is to ensure that the criminal law only penalises disclosures of information which are likely to result in harm to the public interest. Whatever a person's motive, it is criminally irresponsible to make a disclosure knowing that it is likely to result in such harm.

UNCLASSIFIED



FROM: A P HUDSON
DATE: 29 June 1988

PWH

PS/FINANCIAL SECRETARY

cc Mr Culpin
Mr Gieve
Mr Cropper
Mr Calder IR
PS/IR
Mr Tyrie

PRIORITY WRITTEN PQ FROM GORDON BROWN MP (741/87) ON CHANGES IN INCOME TAX AND NIC

We discussed last week a possible press release on the information in answer to Gordon Brown's PQ, as requested in Mr Taylor's 17 June minute.

2. I showed the Chancellor a draft drawing together the various points that had been suggested. He has decided, on reflection, that it would not be worth issuing a special release on this subject, so would be grateful if the Financial Secretary could now answer the question in the normal way. He does think, however, that it would be worth alerting selected journalists to the answer. Peter Riddell, Robin Oakley, and somebody from the Sunday Times are ~~not~~ obvious candidates; Mr Gieve may like to suggest others.

AH

A P HUDSON

REVISED DRAFT PRESS RELEASE FOR THE CHANCELLOR ON
GORDON BROWN'S PQ

1. New figures, which I have published today, show that the the poorest 10 per cent of taxpayers have seen their income tax and national insurance payments fall by nearly a fifth in real terms, compared to Labour's last year in office. By contrast, the amount paid by the richest 10 per cent has risen by a quarter, in real terms.

2. That's not to say that those taxpayers are worse off. Under this Government, real take-home pay is up substantially for everyone. But with a more prosperous economy and higher earnings, we raise more tax with lower rates.

3. I published these figures, because Labour asked me for them. The answer will have come as a shock to them, because they are still wedded to the idea that, to raise money from the better off, you need confiscatory rates of income tax. That is what they tried - and it failed.

4. Labour's penal tax rates, imposed out of envy, brought no help to the poor, no benefit to the Exchequer, and disaster to the economy. They merely served to salve the conscience of middle class socialists.

5. By contrast, we now have a system that provides the incentives needed for a dynamic economy. And the plain fact is that, compared to 1979, the rich are paying more, and the poor are paying less.

~~6/11/7~~

PHF



~~Mr C. Hutson~~ ^{AM 4/7} (Parliamentary)

1. I attach the revised allocation for Questions on 14 July.
2. Please could I have this note back, so that I can raise X at the briefing meeting.

AM

4.7

1. Alex

Thank.
A the change.
R & X, backbencher
8/5 or regarded 15
get up in Q8.



FROM: Assistant Parliamentary Clerk
DATE: 1 July 1988

01-270 5008

CHANCELLOR

2. C.

Best lot for months. The allocation suggested here gives you 4 pretty good ones. Do you feel you need to take 2 (balance of payments), or 5, 11, or 15? Also, likely to be P X Cabinet that day, & we are likely to want to get some statement on the record. Alex - I thought we could stimulate a backbencher to pop up early on to ask something like "Doesn't this show the importance of P X restraint?", or a question for you or CS?

X

AMH

TREASURY FIRST ORDER QUESTIONS - THURSDAY 14 JULY 1988

I attach for your consideration a proposed allocation of the Questions tabled for Oral answer on Thursday 14 July between yourself, the Chief Secretary, the Paymaster General and the Economic Secretary.

Out of the first sixteen and the first twenty Questions the allocation of each Minister is:

	1st 16	1st 20
Chancellor	4	4
Chief Secretary	4	6
Paymaster General	4	5
Economic Secretary	4	5

ST1 Division consider that question 6 from Richard Holt should be transferred to DHSS, whose officials have indicated they are willing to take it on. Are you content for the question to be transferred to DHSS. *yes*

You may wish to consider grouping question 8 with 18 and 11 with 17.

I will group them

Colin Hutson

COLIN HUTSON

TREASURY 1ST ORDER QUESTIONS : THURSDAY 14 JULY 1988

1	C	Mr Cecil Franks (Barrow and Furness): To ask Mr Chancellor of the Exchequer, what discussions took place at the Toronto Economic Summit relating to Third World debt; if there will be an increase in aid to lesser developed nations; and if he will make a statement.	MR BOTTRILL AEF2	C/EX
2	La	Mr David Winnick (Walsall North): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current balance of payments.	MR HIBBERD EA2	EST
3	C	Mr Andrew Hunter (Basingstoke): To ask Mr Chancellor of the Exchequer, what is his estimate of the rise in manufacturing profitability in 1987.	MR HIBBERD EA1	+7 CST
4	C	Ann Widdecombe (Maidstone): To ask Mr Chancellor of the Exchequer, what has been the average annual increase in the productivity of the whole United Kingdom economy since 1980.	MR HIBBERD EA1	CST C/EX
5	La	Mr David Clelland (Tyne Bridge): To ask Mr Chancellor of the Exchequer, if he will estimate the impact of top rate tax cuts on imports.	MR DAVIES MPI	PMG
6	C	Mr Richard Holt (Langbaourgh): To ask Mr Chancellor of the Exchequer, how many £10 Christmas bonuses were paid to pensioners at Christmas 1987.	DHSS	
7	C	Mr David Curry (Skipton and Ripon): To ask Mr Chancellor of the Exchequer, what is his estimate of the rise in manufacturing profitability in 1987.	MR HIBBERD EA1	+3 CST
8	C	Mr Greg Knight (Derby North): To ask Mr Chancellor of the Exchequer, what is his latest estimate of future inflation.	MR HIBBERD EA1	C/EX PMG+18
9	C	Mr David Heathcoat-Amory (Wells): To ask Mr Chancellor of the Exchequer, if he has any plans to approximate indirect tax rates to an European Community average.	C+E	EST
10	C	Mr Peter Thurnham (Bolton North East): To ask Mr Chancellor of the Exchequer, what has been the growth in economic output during the last 12 months; and if he will make a statement.	MR HIBBERD EA1	C/EX
11	La	Mr John Evans (St. Helens North): To ask Mr Chancellor of the Exchequer, if he will estimate the cost to manufacturing industry of the cumulative rise in interest rates since 1st June.	MR HIBBERD EA1	C/EX EST+17
12	La	Mr Dennis Canavan (Falkirk West): To ask Mr Chancellor of the Exchequer, what recent assessment he has made of the popularity or otherwise of the various coins and bank notes in current usage.	MISS NOBLE FIM1	PMG
13	C	Mr Jacques Arnold (Gravesham): To ask Mr Chancellor of the Exchequer, if he will give the latest figures for the stock of United Kingdom net overseas assets both in value and as a percentage of gross domestic product.	MR HIBBERD EA2	CST C/EX
14	C	Mr Robert Hayward (Kingswood): To ask Mr Chancellor of the Exchequer, if he will give the latest forecast for the growth of manufacturing investment in the United Kingdom in 1988.	MR HIBBERD EA1	CST
15	La	Joan Lestor (Eccles): To ask Mr Chancellor of the Exchequer, if Her Majesty's Government supports the Japanese Government's proposals at the Toronto Summit, to, in effect, turn part of the commercial bank debt into Government bonds and to ease the amount of debt payments.	MR BOTTRILL AEF2	EST
16	La	Mr Alistair Darling (Edinburgh Central): To ask Mr Chancellor of the Exchequer, what is his current estimate of Treasury receipts from sales of public assets in 1988-89, 1989-90, 1990-91 and 1991-92, respectively.	MRS BROWN PE2	PMG
17	La	Mr A. E. P. Duffy (Sheffield, Attercliffe): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current level of interest rates.	MISS O'MARA MG1	+11 EST C/EX
18	C	Mr Andrew MacKay (East Berkshire): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current level of inflation.	MR HIBBERD EA1	+8 PMG C/EX
19	La	Mr Gavin Strang (Edinburgh East): To ask Mr Chancellor of the Exchequer, if, in the light of the most recent trade figures, he will revise his current estimate of the balance of payments deficit for 1988-89.	MR HIBBERD EA2	EST

20	C	Mr James Arbuthnot (Wanstead and Woodford): To ask Mr Chancellor of the Exchequer, if he will give the latest figures for the stock of United Kingdom net overseas assets both in value and as a percentage of gross domestic product.	MR HIBBERD EAZ	CST
21	La	Mr Doug Henderson (Newcastle upon Tyne North): To ask Mr Chancellor of the Exchequer, if he will make a statement on the trend in the balance of payments.	MR HIBBERD EAZ	CST EST
22	C	Mr Andrew Mitchell (Gedling): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the number of shareholders in the United Kingdom.	MR ILETT FIM2	PMG
23	C	Mr Gerald Howarth (Cannock and Burntwood): To ask Mr Chancellor of the Exchequer, if he will give the latest forecast for the growth of manufacturing investment in the United Kingdom in the current year.	MR HIBBERD EA1	CST
24	La	Marjorie Mowlam (Redcar): To ask Mr Chancellor of the Exchequer, how many interest rate changes have there been since the Budget.	MISSO'MARA MG1	EST
25	C	Mr Tim Janman (Thorrock): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the proportion of the state owned commercial sector which will have been transferred to the private sector from 1979 to the end of this year.	MRS BROWN PE2	PMG
26	C	Mr Harry Greenway (Ealing North): To ask Mr Chancellor of the Exchequer, what steps he is taking to improve the balance of payments position; and if he will make a statement.	MR DAVIES MPI	CST
27	La	Mr Win Griffiths (Bridgend): To ask Mr Chancellor of the Exchequer, if he intends to make any provision in his fiscal policy to take account of the balance of trade.	MR DAVIES MPI	CST
28	C	Mr Graham Riddick (Colne Valley): To ask Mr Chancellor of the Exchequer, what representations he has received concerning the increase in real terms in the taxation of company cars; and if he will make a statement.	IR	EST
29	Scot NAI	Mr Alex Salmond (Banff and Buchan): To ask Mr Chancellor of the Exchequer, if he will make a statement on the performance of the Scottish economy.	MR PICKFORD EB	PMG
30	La	Mr Bob Cryer (Bradford South): To ask Mr Chancellor of the Exchequer, what has been the estimated cost to the Government of the last increase in interest rates.	MR MOWL PSF	EST
31	La	Mr Tam Dalyell (Linlithgow): To ask Mr Chancellor of the Exchequer, if he will outline his responsibilities for promoting flexible working patterns in the Civil Service	MR CHIVERS PAY2	PMG
32	C	Mr Timothy Wood (Stevenage): To ask Mr Chancellor of the Exchequer, if he will make a statement on progress with the proposed government data network.	CCTA	PMG
33	La	Mr Calum MacDonald (Western Isles): To ask Mr Chancellor of the Exchequer, whether he will make a statement on the level of interest rates in the United Kingdom and other Group of Seven countries.	MR MATTHEWS IF2	EST
34	La	Mr Brian Sedgemore (Hackney South and Shoreditch): To ask Mr Chancellor of the Exchequer, what is the level of the current account deficit on the balance of payments that he now predicts for this financial year.	MR HIBBERD EAZ	CST
35	La	Mr Ted Garrett (Wallsend): To ask Mr Chancellor of the Exchequer, how many interest rate changes there have been in the last six weeks.	MISSO'MARA MG1	EST
36	La	Mr Gerry Steinberg (City of Durham): To ask Mr Chancellor of the Exchequer, what is the latest estimated level of public spending for 1989-90.	MR MARAUSLAN GEP1	CST
37	C	Mr Ian Taylor (Esher): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the number of shareholders in the United Kingdom.	MR ILETT FIM2	FST
38	La	Mr Jim Cousins (Newcastle upon Tyne Central): To ask Mr Chancellor of the Exchequer, what is his estimate of the impact of the measures announced in his Budget on the balance of payments.	MR HIBBERD EAZ	CST
39	C	Mr Nicholas Soames (Crawley): To ask Mr Chancellor of the Exchequer, what estimate he has made of the cumulative benefit to the Exchequer of market testing of tenders for government contracts by central government since 1979.	MR JONES TOA	PMG

TREASURY 1ST ORDER QUESTIONS : THURSDAY 14 JULY 1988

40	C	Mr William Powell (Corby): To ask Mr Chancellor of the Exchequer, if he will give the latest forecast for the growth of business investment in the United Kingdom in 1988.	MR HIBBERD EA1	CST
41	La	Mr Dennis Skinner (Bolsover): To ask Mr Chancellor of the Exchequer, what new estimates he has made for balance of payments figures in 1988; and if he will make a statement.	MR HIBBERD EA2	CST
42	P ₂	Mr Ieuan Wyn Jones (Ynys Môn): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current rate of inflation in house prices.	MR HIBBERD EA1	EST
43	La	Mr Barry Jones (Alyn and Deeside): To ask Mr Chancellor of the Exchequer if he will make a statement on the United Kingdom's balance of trade.	MR HIBBERD EA2	CST
44	C	Mr Roger King (Birmingham Northfield): To ask Mr Chancellor of the Exchequer, what was the increase in real personal disposable income in the year to the first quarter of 1988.	MR HIBBERD EA1	CST
45	C	Mr Anthony Coombs (Wyre Forest): To ask Mr Chancellor of the Exchequer, what has been the average annual increase in the productivity of the whole United Kingdom economy since 1980.	MR HIBBERD EA1	CST
46	La	Mr Peter Hardy (Wentworth): To ask Mr Chancellor of the Exchequer, what is his estimate of the level of take home pay obtained by the individuals receiving one-half, one-third, and two-thirds of average earnings; and what were the equivalent figures two years ago.	MR RILEY ETS	FST
47	C	Sir Michael McNair-Wilson (Newbury): To ask Mr Chancellor of the Exchequer what is his latest estimate of future inflation.	MR HIBBERD EA1	EST
48	La	Mr D. N. Campell-Savours (Workington): To ask Mr Chancellor of the Exchequer, what steps he intends to take to bring about an improvement in Britain's balance of payments performance.	MR HIBBERD EA2	CST
49	C	Mr John Watts (Slough): To ask Mr Chancellor of the Exchequer, if he will give the latest forecast for the growth of manufacturing investment in the United Kingdom in the current year.	MR HIBBERD EA1	CST
50	C	Mr Roger Knapman (Stroud): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the number of shareholders in the United Kingdom.	MR ILETT FIM2	FST
51	La	Dr Lewis Moonie (Kirkcaldy): To ask Mr Chancellor of the Exchequer, if he will estimate the impact of top rate tax cuts on imports.	MR DAVIES MPI	CST
52	La	Clare Short (Birmingham, Ladywood): To ask Mr Chancellor of the Exchequer, if he will estimate the impact of top rate tax cuts on imports.	MR DAVIES MPI	CST
53	La	Mr Eric Martlew (Carlisle): To ask Mr Chancellor of the Exchequer, how many interest rate changes there have been in the last six weeks.	MISS O'MARA MG1	EST
54	P _L C	Dr Dafydd Elis Thomas (Meirionnydd Nant Conwy): To ask Mr Chancellor of the Exchequer, what representations he has received concerning the effects of income tax cuts since 1979 on the regions of the United Kingdom; and if he will make a statement.	IR	FST
55	C	Mr David Sumberg (Bury South): To ask Mr Chancellor of the Exchequer, how many: (a) personal and (b) business taxes have been: (i) lowered and (ii) abolished since 1979.	IR	FST
56	C	Mr Patrick Thompson (Norwich North): To ask Mr Chancellor of the Exchequer, what has been the average annual increase in the productivity of the whole United Kingdom economy since 1980.	MR HIBBERD EA1	CST
57	La	Mr Greville Janner (Leicester West): To ask Mr Chancellor of the Exchequer, if he will make a statement concerning his latest estimate for the balance of trade in 1988-89.	MR HIBBERD EA2	CST
58	C	Mr David Shaw (Dover): To ask Mr Chancellor of the Exchequer, if he will give the latest forecast for the growth of business investment in the United Kingdom in 1988.	MR HIBBERD EA1	CST

TREASURY 1ST ORDER QUESTIONS : THURSDAY 14 JULY 1988

59	C	Mr Tim Smith (Beaconsfield): To ask Mr Chancellor of the Exchequer, if he will make it his policy to encourage retired owner occupiers on low incomes to unlock the capital tied up in their home by mortgaging the property and using the proceeds to purchase an annuity.	IR	FST
60	C	Mr David Amess (Basildon): To ask Mr Chancellor of the Exchequer, what recent representations he has received in favour of zero rating value-added tax on hospital radio broadcasting equipment.	CTE	EST
61	C	Mr Simon Burns (Chelmsford): To ask Mr Chancellor of the Exchequer, what has been the increase in self-employment since 1979.	MR PICKFORD EB	CST
62	La	Mr Pat Wall (Bradford North): To ask Mr Chancellor of the Exchequer, what representations he has recently received about the level of the balance of payments deficit for the first few months of 1988.	MR HIBBERD EA2	CST
63	C	Mr John Bowis (Battersea): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the proportion of the state owned commercial sector which will have been transferred to the private sector from 1979 to the end of this year.	MRS BROWN PE2	FST
64	La	Mr Bruce Grocott (The Wrekin): To ask Mr Chancellor of the Exchequer, whether he has made any estimates of the increased efficiency of those members of his Department whose marginal rates of taxation were reduced to 40 per cent. in the Budget.	MR ALLAN EOG1	
65	C	Mr David Knox (Staffordshire, Moorlands): To ask Mr Chancellor of the Exchequer, if he will make a statement on the economic outlook for the remainder of the current financial year.	MR HIBBERD EA1	CST
66	La	Mr Terry Patchett (Barnsley East): To ask Mr Chancellor of the Exchequer, what is his forecast for the impact of his Budget income-tax changes on the level of manufactured imports in the present year.	MR DAVIES MPI	CST
67	C	Mr Neil Hamilton (Tatton): To ask Mr Chancellor of the Exchequer, how many other countries in the Organisation for Economic Co-operation and Development are running a budget surplus.	MR MATTHEWS IF2	EST
68	C	Mr Nicholas Baker (Dorset North): To ask Mr Chancellor of the Exchequer, what is his latest estimate of future inflation.	MR HIBBERD EA1	EST
69	C	Mr Michael Brown (Brigg and Cleethorpes): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the rise in the tax and prices index in the 12 months to May.	MR HIBBERD EA1	EST
70	C	Mrs Virginia Bottomley (South West Surrey): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current level of increase in unit labour costs.	MR HIBBERD EA1	CST
71	La	Mr Chris Mullin (Sunderland South): To ask Mr Chancellor of the Exchequer, what is the level of the current account deficit on the balance of payments that he now predicts for this financial year.	MR HIBBERD EA2	CST
72	C	Mr David Madel (South West Bedfordshire): To ask Mr Chancellor of the Exchequer, what assessment he has made of the implications of the current rate of pay settlements for the implementation of his Budget strategy; and if he will make a statement.	MS SEAMEN PAY 1	PMG
73	La	Ms Diane Abbott (Hackney North and Stoke Newington): To ask Mr Chancellor of the Exchequer, what he expects the public spending outturn to be for 1988-89.	MR RICHARDSON GEP2	CST
74	C	Mr Quentin Davies (Stamford and Spalding): To ask Mr Chancellor of the Exchequer, what has been the increase in self-employment since 1979.	MR PICKFORD EB	CST
75	La	Mr Harry Cohen (Leyton): To ask Mr Chancellor of the Exchequer, if he will give his latest estimate of the balance of payments for 1988-89.	MR HIBBERD EA2	CST
76	La	Mr Giles Radice (North Durham): To ask Mr Chancellor of the Exchequer, what measures are being taken to improve the balance of payments.	MR HIBBERD EA2	CST

TREASURY 1ST ORDER QUESTIONS : THURSDAY 14 JULY 1988

77	La	Mr Jeff Rooker (Birmingham, Perry Barr): To ask Mr Chancellor of the Exchequer, what are the latest available figures in respect of the balance of payments; and what are the comparable figures for one and nine years ago.	MR HIBBERD EA2	CST
78	La	Mr John Cummings (Easington): To ask Mr Chancellor of the Exchequer, what level of current account deficit on balance of payments he now predicts for this financial year.	MR HIBBERD EA2	CST
79	La	Mr Frank Cook (Stockton North): To ask Mr Chancellor of the Exchequer, what he expects the public spending outturn to be for 1988-89.	MR RICHARDSON GEP2	CST
80	C	Mr Phillip Oppenheim (Amber Valley): To ask Mr Chancellor of the Exchequer, what is his forecast for economic growth in the United Kingdom in the next year.	MR HIBBERD EA1	CST
81	DEM	Mr Simon Hughes (Southwark and Bermondsey): To ask Mr Chancellor of the Exchequer, how many: (a) earners, (b) families and (c) families with children, have effective marginal tax rates in excess of 40 per cent, taking into account income tax, national insurance contributions and the withdrawal of income related benefits.	IR	FST
82	La	Mr Peter L. Pike (Burnley): To ask Mr Chancellor of the Exchequer, what representations he has had on the availability of consumer credit; and if he will make a statement.	MR ILETT FIM2	EST
83	C	Sir John Farr (Harborough): To ask Mr Chancellor of the Exchequer, if he will include the Meats and Livestock Commission in the lists of public bodies able to recover value-added tax on their non-business expenditure.	CTE	EST
84	La	Mr Henry McCleish (Fife Central): To ask Mr Chancellor of the Exchequer, whether he has discussed policies to expand mutual trade between European Countries with European Community Finance Ministers as a means of increasing United Kingdom visible exports and reducing the current trend to deficit in the United Kingdom trade balance.	MR MORTIMER EC1	PMG
85	C	Mr Charles Wardle (Bexhill and Battle): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the proportion of the state owned commercial sector which will have been transferred to the private sector from 1979 to the end of this year.	MRS BROWN PE2	FST
86	C	Mr John L. Marshall (Hendon South): To ask Mr Chancellor of the Exchequer, if he will make a statement on the trend in the number of civil servants over the the past five years.	MR HANSFORD RC1	PMG
87	C	Mr James Cran (Beverley): To ask Mr Chancellor of the Exchequer, if he will give the latest figures for the stock of United Kingdom net overseas assets both in value and as a percentage of gross domestic product.	MR HIBBERD EA2	CST
88	La	Mr Tony Banks (Newham North West): To ask Mr Chancellor of the Exchequer, when he next expects to meet the director general of the Confederation of British Industry; and what matters will be discussed.	MR BURR IAE3	CST
89	C	Mr Michael Colvin (Romsey and Waterside): To ask Mr Chancellor of the Exchequer, what is the current revenue raised from the duty on aviation gasoline.	CTE	EST
90	C	Mr David Nicholson (Taunton): To ask Mr Chancellor of the Exchequer, what has been the increase on self-employment since 1979.	MR PICKFORD EB	CST
91	C	Mr Henry Bellingham (North West Norfolk): To ask Mr Chancellor of the Exchequer, what is his assessment of the effect of the current instability of interest rates on investment in industry over the next year; and what assessment he has made of the effect this will have on the current level of economic growth in the United Kingdom.	MR HIBBERD EA1	CST
92	C	Sir Trevor Skeet (North Bedfordshire): To ask Mr Chancellor of the Exchequer, what steps he is taking to ensure that when government departments change their telephone numbers the correct information is made available to honourable and Right honourable Members in due time.	MR ALAN EOG1	PMG

93	C	Mr Eric Forth (Mid Worcestershire): To ask Mr Chancellor of the Exchequer, if he will make a statement on the planned path for General Government expenditure over the period to 1990-91.	MR MacAUSLAN GEP 1	CST
94	C	Mr Michael Jack (Fylde): To ask Mr Chancellor of the Exchequer, what is his estimate of the rise in manufacturing profitability in 1987.	MR HIBBERD EA 1	CST
95	La	Mr Ronnie Campbell (Blyth Valley): To ask Mr Chancellor of the Exchequer, what is the level of public spending he has now set for 1989-90.	MR MacAUSLAN GEP 1	CST
96	La	Mr Stuart Holland (Vauxhall): To ask Mr Chancellor of the Exchequer, on what grounds he rejected the proposal by the French Government at the Toronto Summit to write off one third of the official debt of the 20 least developed African countries.	MR BOTTRILL AEF 2	EST
97	P L C	Mr Dafydd Wigley (Caernarfon): To ask Mr Chancellor of the Exchequer, what percentage of taxpayers in: (a) England, (b) Scotland, and (c) Wales pay income tax in the highest band.	IR	FST
98		Mr Michael Marshall (Arundel): To ask Mr Chancellor of the Exchequer, what information he has received from the Department of Trade and Industry following its evaluation of services offered by Mercury Telecommunications Limited and, in the light of that evaluation, what advice the central computer and telecommunications agency is tendering to other government departments.	CCTA	PMG
99	P E M	Mr James Wallace (Orkney and Shetland): To ask Mr Chancellor of the Exchequer, whether he proposes to take any measures to reduce the level of the balance of payments deficit.	MR HIBBERD EA 2	CST
100	C	Mr Richard Page (South West Hertfordshire): To ask Mr Chancellor of the Exchequer, what is his estimate of the rise in manufacturing profitability in 1987.	MR HIBBERD EA 1	CST
101	C	Mr Tom Sackville (Bolton West): To ask Mr Chancellor of the Exchequer, how many Civil Service jobs are now located in the South-East.	MR HANSFORD RC 1	PMG
102	La	Mr Graham Allen (Nottingham North): To ask Mr Chancellor of the Exchequer, what percentage of income was paid in tax in 1979 and is paid currently by a married couple with two, three and four children, respectively.	IR	FST
103	C	Mr Jeremy Hanley (Richmond and Barnes): To ask Mr Chancellor the Exchequer, if he will give the latest figures for the growth of economic output in the United Kingdom.	MR HIBBERD EA 1	CST
104	C	Mr Tim Boswell (Daventry): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the proportion of the state owned commercial sector which will have been transferred to the private sector from 1979 to the end of this year.	MRS BROWN PE 2	FST
105	La	Mr Nigel Griffiths (Edinburgh South): To ask Mr Chancellor of the Exchequer, by how much he would now revise his Budget estimates of the likely out-turn this year for the balance of payments.	MR HIBBERD EA 2	CST
106	D E M	Mr Matthew Taylor (Truro): To ask Mr Chancellor of the Exchequer, what assessment he has made of the effect of recent interest rate adjustments on the level of domestic investment.	MISSO'MARA MG 1	EST
107	C	Mr David Atkinson (Bournemouth East): To ask Mr Chancellor of the Exchequer, when he expects the 1986 European Community draft directive for small and medium-size enterprises to be implemented.	C + E	EST
108	C	Mr Hugh Dykes (Harrow East): To ask Mr Chancellor of the Exchequer, if he has any plans to improve the capacity of the supply side of the United Kingdom economy.	MR DAVIES MP 1	CST
109	La	Mr Tony Lloyd (Stretford): To ask Mr Chancellor of the Exchequer, if he will update his forecast for the 1988 current account deficit as given in the Financial Statement and Budget Report 1988-89.	MR GILTCOL FP	FST
110	C	Mr Tony Marlow (Northampton North): To ask Mr Chancellor of the Exchequer, if he will make a further statement on the tax treatment of complimentary journeys available to flotation shareholders in Eurotunnel.	IR	FST

111	L	Mr Tony Worthington (Clydebank and Milngavie): To ask Mr Chancellor of the Exchequer, whether he will make a statement on the proposals made by governments in the European Community for a European Central Bank.	MR MORTIMER EC1	PMG
112	L	Mr Andrew Smith (Oxford East): To ask Mr Chancellor of the Exchequer, what is his most recent estimate of the current account balance of payments for 1988 in: (a) visible trade and (b) invisibles.	MR HIBBERD EA2	CST
113	C	Mr Michael Fallon (Darlington): To ask Mr Chancellor of the Exchequer, whether he will make a statement on the progress of the privatisation programme.	MRS BROWN PEZ	FST
114	L	Hilary Armstrong (North West Durham): To ask Mr Chancellor of the Exchequer, what he now expects the public spending outturn to be for 1988-89.	MR RICHARDSON GEP2	CST
115	C	Mr Chris Butler (Warrington South): To ask Mr Chancellor of the Exchequer, what information he has on the number of building society accounts currently in existence in the United Kingdom.	MR BRIDGEMAN RFS	EST
116	L	Ms Joyce Quin (Gateshead): To ask Mr Chancellor of the Exchequer, what he now expects the 1988-89 public spending outturn to be.	MR RICHARDSON GEP2	CST
117	L	Mr Robert N. Wareing (Liverpool, West Derby): To ask Mr Chancellor of the Exchequer, what action he intends to take in relation to the current balance of payments position.	MR HIBBERD EA2	CST

C.

I have to ring Mr Franks's PA ^{tomorrow a.m.} with a suggested supplementary. How about something like this?

"Will my RHF accept that ~~this important agreement is due to the efforts he and other Ministers have made?~~ Will he now continue ~~those~~ his efforts, to make sure that the proposals are implemented as soon as possible?"

AH

12.7

Sketch of a diagram or signature in a red circle.

Buttman's role in starting this major agreement was decisive?



Is a long reply to the launch of the year?

C.

QUESTION 1

Better like this?

Handwritten signature or scribble.

"Agreement was reached at the Toronto Summit on the initiative I launched ~~last~~ in April last year, to reduce the debt burden of the poorest, most heavily indebted countries, mainly in sub-Saharan Africa, who are following ~~appropriate~~ ~~approved~~ ~~adjustment~~ ~~policies~~. [Creditor countries will give relief in different ways, but all have now agreed, for the first time, to take part in what will be a substantial significant easing of the debt burden for these very poor countries.]"

along the lines of

appropriate ~~approved~~ economic policies.

AH P70

ORALTHURSDAY 14 JULY 1988TREASURY

C - Barrow and Furness

* **MR CECIL FRANKS :** To ask Mr Chancellor of the Exchequer, what discussions took place at the Toronto Economic Summit relating to Third World debt; if there will be an increase in aid to lesser developed nations; and if he will make a statement.

DRAFT REPLY

C/EX

Our talks in Toronto on Third World debt concentrated on the poorest, most heavily indebted countries mainly in Sub-Saharan Africa. We agreed that when the official debt of such countries, who are following approved adjustment programmes, is rescheduled creditors should choose between lower interest rates, longer repayment periods, partial write-offs or a combination of these. I welcome the prospect of real debt relief for these very poor countries for which I have been pressing for the past fourteen months. ^{since April last year/1987} [The Summit also welcomed the action taken by many countries to write-off old aid loans and urged countries to maintain a high grant element in future assistance for poorest countries.]

C will redraft.

Franks supplementary to stress that this is a UK initiative.

AS [Signature]

PP MRS S THOMSON
AEF2

A R H Bottrill

A R H BOTTRILL
AEF2

BACKGROUND NOTE

Mr Cecil Franks has asked two questions this week on discussions on Third World debt at the Toronto Economic Summit. Both were loosely drafted but as this refers to aid for lesser developed nations the answer assumes that he is talking about poorest countries rather than middle income debtors, for whom the Summit confirmed the growth-led market orientated strategy based on a case by case approach.

We must expect hostile supplementaries on UK aid since the recent announcement that UK aid as a percentage of GNP had declined to 0.28. The background brief on International debt covers middle income debtors, Sub-Saharan Africa, Retrospective Terms Adjustment and the UK Aid programme.

This answer has been agreed with AEF1.

UNCLASSIFIED



FROM: A P HUDSON
DATE: 13 July 1988

APH

MR DYER

cc PS/Economic Secretary
Miss Simpson
Mrs Thomson
Ms Life

ORAL QUESTIONS, 14 JULY: MR CECIL FRANKS' QUESTION ON DEBT

The Chancellor has made some further amendments to his redrafted answer to this question. He has now decided on the following:

"Agreement was reached at the Toronto Summit along the lines of the initiative I launched in April last year, to reduce the debt burden of the poorest, most heavily indebted countries, mainly in sub-Saharan Africa, who are following approved economic policies."

2. Mr Franks' has asked for suggestions for a supplementary, and the Chancellor will be offering him the following:

"Will my RHF accept that Britain's role in securing this important agreement was decisive? Will he now continue his efforts to make sure that the proposals are implemented as soon as possible?"

APH

A P HUDSON

x4648

Content with X?

FROM: R J DEVEREUX

DATE: 13 JULY 1988

- 1. MR DYER
- 2. APS/PAYMASTER GENERAL

mpw
B17
CC

PPS 12/2
Mrs Lomax
Mr Pickford

TREASURY ORAL QUESTIONS: DENNIS CANAVAN PQ

I attach some additional material on the design of the new 5p and 10p coins (and the regional variants of the £1 coin).

2. The position on the Tercentenary £2 coin is more difficult. The Chancellor has already announced (13 January 1988) that the Queen has approved a £2 coin to commemorate the tercentenary of the Bill of Rights. But, although the Secretary of State for Scotland has expressed his strong support for a variant of the coin to commemorate the Claim of Right, the proposition has not been put to the Chancellor formally, nor to the Queen. In these circumstances it would be inappropriate to make any definite statement about a Scottish £2 commemorative coin.

3. But if the Paymaster is pressed to comment on a suitable commemoration of the Claim of Right, I suggest he say something reasonably noncommittal along the lines that he is already considering with the Master of the Mint whether a Scottish version of the Tercentenary coin would be appropriate. This gives the Government some credit for thinking about the issue without necessarily prejudging the final outcome.

X

R J DEVEREUX

P.S. See over for an
 annotation - one request.
 re the former, I took the decision
 some time ago to replace the
 1984 design in 1989, 1985 in 1990,
 1986 in 1991, & 1987 in 1992.
 etc.

National emblems on new 5p and 10p coins The designs on the new coins will be identical to those on the current coins. So the new 5p will continue to feature a design that has been used on a number of Scottish coins since the time of James VI (the design is a thistle flanked by two leaves).

National emblems on the £1 coin There has been a new design on the reverse of £1 coins each year since their introduction in 1983. 1983-UK; 1984-Scotland; 1985-Wales; 1986-Northern Ireland; 1987-England; 1988-New UK design. No decision has been made on the design for 1989 and subsequent years.

Scottish version of £2 tercentenary commemorative coin Recognise the importance of the Claim of Right. Already considering with the Master of the Mint whether an additional £2 coin would be appropriate.

*1988-
Get out of
New coins.*

Announced

CONFIDENTIAL



A large, stylized handwritten signature in black ink, appearing to be "MP".

FROM: MISS M P WALLACE

DATE: 14 July 1988

APS/PAYMASTER GENERAL

cc Mrs Lomax
Mr Pickford
Miss Noble
Mr Devereux**TREASURY ORAL QUESTIONS: CANAVAN PQ**

The Chancellor has seen Mr Devereux's minute of 13 July. As I mentioned to you, he was content with the proposed line to take on the Scottish coin. But he has suggested one amendment to the attached supplementary briefing: on the second point, he would prefer the last sentence to read "no decision has been announced on the design for 1989 and subsequent years" (reflecting the decision, taken some time ago, to repeat the 1984 design in 1989, 1985 in 1990, etc.)

A handwritten signature in black ink, appearing to be "MPW".

MOIRA WALLACE

Paul

FROM: PAUL DAVIS
DATE: 14 July 1988

MR HUTSON

cc PS/Chancellor
PS/Chief Secretary
PS/Economic Secretary
Sir P Middleton
Sir T Burns
Mr Sedgwick
Mr Hibberd
Mr Sirant.

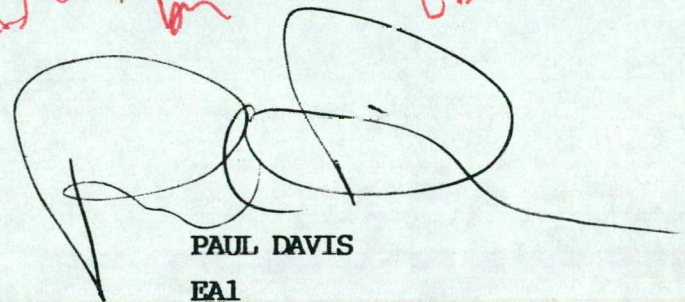
SUPPLEMENTARY BRIEFING FOR FIRST ORDER QUESTIONS 14 JULY:
PIPER ALPHA PLATFORM

1. We spoke yesterday.
2. Following further information from D.En, the point below should be added to the balance of payments subject brief.

Factual

(i) Piper Alpha platform loss will reduce output and hence exports of oil by £250-350 million in both remainder of 1988 and in 1989. Losses will depend in part on how quickly other affected fields (Claymore, Scapa, Highlander, Petronella and Tartan) are brought back into action. [Figures assume other fields inoperative for about next two months, Piper until at least end-1989.]

*The figure
from the
by Mr P. was
£250m.*



PAUL DAVIS
EAL

HEALTH AND MEDICINES BILL

LINE TO TAKE

CHIEF SECRETARY	
REC.	21 JUL 1988
ACTION:	Mr Sanders
COPIES TO:	(C) Sir P Middleton Mr Brown, Mr Phillips Miss Pusey, Mr Tomblin Mr Gifford, Mr Call

(i) The discussions in Another Place have produced no or new additional arguments in relation to the introduction of optical and dental examination charges.

(ii) We remain of the view that it is right to introduce optical and dental charges. Our proposals rightly exempt those whose circumstances are such that they cannot afford to pay. We do not accept that those who are not exempt will be deterred from seeking treatment by the charges, not least as they will be already expecting to pay the full cost of their spectacles and a significant contribution to the cost of their dental treatment. The charges are expected to be no more than around £3 in the case of dental examinations and it will be for opticians to decide whether they wish to make a separate charge, and if so at what level, in the highly competitive optical market.

(iii) The charges raise revenue which will make a significant contribution to the implementation of the Primary Health Care white Paper. These proposals will enable us to make the primary care services more responsive to the needs and wishes of the consumer, raise the quality and quantity of services available, promote better health and prevent illness. The proposals have

been widely welcomed.

(iv) The introduction of optical and dental charges has been extensively debated in this House and has been approved by majorities of 74 and 81 respectively.

CONFIDENTIAL

passed a copy

FROM: D P GRIFFITHS

DATE: 21 July 1988

CHIEF SECRETARY

cc

Chancellor
 Mr Anson
 Mr Phillips
 Miss Peirson
 Mr Turnbull
 Mr McIntyre
 Mr Saunders
 Mr Call

*This don't
 reflect the
 situation
 in the
 committee*

HEALTH AND MEDICINES BILL: LORDS

1. DHSS officials called on Mr Saunders and me this afternoon at their request to talk over possible concessions on sight test and dental examination charges on the assumption that concessions could be required in order to get the two clauses reinstated in the Bill.

2. The concessions that they considered necessary were:

i. people over 65 would continue to receive free sight tests and dental examinations (estimated cost £25 m a year £20 m on sight tests; £5 m on dental examinations).

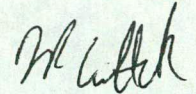
and

ii. the DHSS 'nearly poor' proposal on sight tests (cost an estimated £½ m a year, given the low take-up of such benefits).

3. We made it clear that we had no Ministerial authorisation to offer any concession. None of the proposals were attractive. Besides its wider drawbacks, the nearly poor proposal could lead to pressure for a much more generous spectacle voucher system: if people well over IS/FC thresholds were to receive free eye tests it might be argued that they should not have to contribute to the cost of spectacles. It would also be anomalous to offer his concession on sight tests, but not on dental examinations. We noted that one option would simply be to reinstate the clauses as they had stood before Lords Committee Stage.

CONFIDENTIAL

4. It is not clear whether the DHSS will try to bounce us into accepting concessions but there certainly seems no reason to take any decisions on this issue before the Recess.



D P GRIFFITHS

*

*I trust we can reward / have reward
to Mackay with a really first class*



FROM: Assistant Parliamentary Clerk
DATE: 22 July 1988

01-270 5007

PS/CHANCELLOR

- cc PS/Chief Secretary
- PS/Financial Secretary
- PS/Paymaster General
- PS/Economic Secretary
- PS/Customs
- Mr Pickford
- Mr Dyer

FORTHCOMING TREASURY BUSINESS IN THE HOUSE OF LORDS

You may wish to be aware of the following current forthcoming Treasury business in the Lords:

ORAL QUESTION

Monday 25 July Lord Sudeley - To ask Her Majesty's Government how many people are visiting the Parliament and the Glorious Revolution exhibition at the Banqueting House, Whitehall, and what steps, if any, are being taken to promote awareness of this exhibition amongst the public.

Government Spokesman: Lord Beaverbrook. COI in the lead.

Wednesday 27 July

Finance Bill (All stages)

Government Spokesman: Lord Mackay to open. Lord Brabazon to close.

TREASURY INTEREST BUSINESS

Tuesday 26 July

Local Government Finance Bill. (consideration of Commons Amendments and Reasons).

Government Spokesman: Earl of Caithness

C L Wallis
C L WALLIS



pmf

FROM: J M G TAYLOR

DATE: 25 July 1988

MR WALLIS - Parliamentary

cc PS/Chief Secretary
PS/Financial Secretary
PS/Paymaster General
PS/Economic Secretary
Mr Pickford
Mr Dyer
PS/IR

FORTHCOMING TREASURY BUSINESS IN THE HOUSE OF LORDS

The Chancellor has seen your minute of 22 July.

2. He trusts that we can reward - or have rewarded - Lord Mackay with a really first class brief.

JMG

J M G TAYLOR

Colin

Please return the allocation to Ambrose Hutson to action after you've advised divisions.

200/78



01-270 5008

FROM: Assistant Parliamentary Clerk
DATE: 29 July 1988

*1. Alse
Now in hand.
2. PHP*

CHANCELLOR

*C.
Not v. inspiring, but hard to say what we'll want to say then.*

AH

TREASURY FIRST ORDER QUESTIONS - THURSDAY 27 OCTOBER 1988

I attach for your consideration a proposed allocation of the Questions tabled for Oral answer on Thursday 27 October between yourself, the Chief Secretary, the Financial Secretary and the Paymaster General.

Out of the first sixteen and the first twenty Questions the allocation of each Minister is:

	1st 16	1st 20
Chancellor	5	5
Chief Secretary	4	5
Financial Secretary	4	5
Paymaster General	3	5

AH
MS Q3
Walms
with from
in your
change
will publish
on 22/7/88
1/2021
Colin Hutson
COLIN HUTSON

TREASURY 1ST ORDER QUESTIONS : THURSDAY 27 OCTOBER 1988

1		Mr Alun Michael (Cardiff South and Penarth): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the outturn of the balance of payments position at the end of the current financial year.	MR HIBBERD EA2	+17 C/EX
2	C	Mr Andrew Hunter (Basingstoke): To ask Mr Chancellor of the Exchequer, what are the latest figures for the growth of manufacturing investment.	MR HIBBERD EA1	+10 CST
3	La	Mr Calum McDonald (Western Isles): To ask Mr Chancellor of the Exchequer, how many independent advisers he has who are paid from public funds.	MR CHIVERS PAY2	CST PMG
4	C	Mr Gwilym Jones (Cardiff North): To ask Mr Chancellor of the Exchequer, if he will make a statement on the outcome of the joint annual meeting of the International Monetary Fund and the World Bank.	MR WALSH IF1	+9 C/EX
5	La	Mr Tom Clarke (Monklands West): To ask Mr Chancellor of the Exchequer, if he will assess the impact of current levels of interest rates on the economy.	MR DAVIES MPI	C/EX FST
6	La	Mr Dennis Turner (Wolverhampton South East): To ask Mr Chancellor of the Exchequer, what representations he has received from the Confederation of British Industry about the exchange rate of £ sterling.	MISS O'MARA MG1	C/EX PMG
7		Mr Conal Gregory (York): To ask Mr Chancellor of the Exchequer, what has been the increase in total employment in the economy since 1983. WITHDRAWN	MR PICKFORD EB	X
8	C	Ann Widdecombe (Maidstone): To ask Mr Chancellor of the Exchequer, what is his latest forecast for the growth of gross domestic product in 1988.	MR HIBBERD EA1	PMG CST
9	C	Mr William Powell (Corby): To ask Mr Chancellor of the Exchequer, if he will make a statement on the outcome of the joint annual meeting of the International Monetary Fund and the World Bank.	MR WALSH IF1	+4 C/EX
10	C	Mr Tony Speller (North Devon): To ask Mr Chancellor of the Exchequer, what is his latest estimate for the growth of business investment in 1988.	MR HIBBERD EA1	+2 FST CST
11	C	Mr David Knox (Staffordshire, Moorlands): To ask Mr Chancellor of the Exchequer, if he will make a statement on the economic outlook for the remainder of the current financial year.	MR HIBBERD EA1	CST
12		Mr Tom Sackville (Bolton West): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the number of Civil Service jobs in the South East. WITHDRAWN	WITHDRAWN	X
13	C	Mr David Amess (Basildon): To ask Mr Chancellor of the Exchequer, what further representations he has received seeking the zero rating of value-added tax on hospital radio broadcasting equipment.	CTE	PMG
14	C	Mr Anthony Coombs (Wyre Forest): To ask Mr Chancellor of the Exchequer, what is his latest estimate of: (a) corporation and (b) income tax revenues in: (i) the fiscal year 1988-89 and (ii) the fiscal year 1987-88.	IR	FST
15	C	Mr Gerald Howarth (Cannock and Burntwood): To ask Mr Chancellor of the Exchequer, how many share sales have taken place since 1979 as a result of the Government's policy of privatisation.	MRS BROWN PEZ	FST C/EX
16	C	Mr Alastair Burt (Bury North): To ask Mr Chancellor of the Exchequer, what has been the growth of manufacturing productivity in the economy since 1980.	MR PICKFORD EB	PMG CST
17	La	Mr Tomas McAvoy (Glasgow, Rutherglen): To ask Mr Chancellor of the Exchequer, what forecasts he has regarding long-term trends in the balance of payments.	MR HIBBERD EA2	+1 C/EX
18	La	Mr Tony Banks (Newham North West): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the level of personal debt in the United Kingdom.	MISS O'MARA MG1	FST
19	La	Mr Dennis Skinner (Bolsover): To ask Mr Chancellor of the Exchequer, when he next intends to meet other finance ministers to discuss international debt; and if he will make a statement.	MR WALSH IF1	PMG FST
20	C	Mr James Cran (Beverley): To ask Mr Chancellor of the Exchequer, when he last met with the President of the Confederation of British Industry; and what matters were discussed.	MR BURR IAE3	CST

TREASURY 1ST ORDER QUESTIONS : THURSDAY 27 OCTOBER 1988

21	C	Mr Michael Shersby (Uxbridge): To ask Mr Chancellor of the Exchequer, what is his estimate of the amount of money lent by the building societies for purposes other than house purchase, since they were permitted to do so by recent changes in regulations governing their activities.	MISS NOBLE FIM1	FST
22	C	Dr Charles Goodson-Wickes (Wimbledon): To ask Mr Chancellor of the Exchequer, when he last met his counterparts in the European Economic Community; and if he will make a statement.	MR MORTIMER EC1	+25 PMG
23		Mr Tim Boswell (Daventry): To ask Mr Chancellor of the Exchequer, what plans he has for changes in the system of National Savings; and if he will make a statement. WRITTEN 29.7	MISS O'MARA MG1	X
24	La	Mr Jack Ashley (Stoke on Trent South): To ask Mr Chancellor of the Exchequer, what progress has been made in simplifying the proposed customs procedures on Channel Tunnel rail connections.	C+E	C/EX
25	C	Mr John L. Marshall (Hendon South): To ask Mr Chancellor of the Exchequer, when he last met his counterparts in the European Economic Community; and if he will make a statement.	MR MORTIMER EC1	+22 PMG
26	La	Hilary Armstrong (North West Durham): To ask Mr Chancellor of the Exchequer, what representations he has received about increases in public expenditure in the forthcoming financial year.	MR MACANUSIAN GEP1	CST
27	C	Mr Peter Thurnham (Bolton North East): To ask Mr Chancellor of the Exchequer, if he will make a statement about the level of productivity in the British economy.	MR HIBBERD EA1	PMG
28	La	Mr Eric Martlew (Carlisle): To ask Mr Chancellor of the Exchequer, what information he has as to the current base interest rate or equivalents in each of the Group of 7 countries.	MR MATTHEWS IF2	FST
29	La	Mr Ronnie Campbell (Blyth): To ask Mr Chancellor of the Exchequer, if he will assess the impact of current levels of interest rates on the economy.	MISS O'MARA MG1	FST
30	C	Mr David Sumberg (Bury South): To ask Mr Chancellor of the Exchequer, if, at the next meeting with Finance Ministers from other Organisation for Economic Co-operation and Development Countries, he will make it his policy to proffer advice to his colleagues on the management of their economies.	MR MATTHEWS IF2	PMG
31	C	Mr Tim Yeo (South Suffolk): To ask Mr Chancellor of the Exchequer, what is his latest forecast for the public sector debt repayment for 1988-89.	MR MOWL PSF	FST
32	La	Mr Eric Illsley (Barnsley Central): To ask Mr Chancellor of the Exchequer, if he will make a statement on the impact of the balance of payments on the current level of £ sterling.	MR DAVIES MPI	CST
33	DEM	Mr A. J. Beith (Berwick upon Tweed): To ask Mr Chancellor of the Exchequer, what research is being carried out by his Department into the future development of the European Monetary System.	MISS O'MARA MG1	EST
34	La	Mr Nigel Griffiths (Edinburgh South): To ask Mr Chancellor of the Exchequer, if he will make a further statement on his policy towards the exchange rate for £ sterling.	MISS O'MARA MG1	EST
35	La	Mr Tony Blair (Sedgefield): To ask Mr Chancellor of the Exchequer, if he will assess the impact of current levels of interest rates on the economy.	MR DAVIES MPI	CST
36	La	Mr George Howarth (Knowsley North): To ask Mr Chancellor of the Exchequer, if he will make a statement on the impact of the balance of payments on the current level of £ sterling.	MR DAVIES MPI	CST
37	C	Mr David Shaw (Dover): To ask Mr Chancellor of the Exchequer, when he last met his counterparts in the Group of Seven; and if he will make a statement.	MR WALSH IFI	EST
38	C	Mr Robert Hayward (Kingswood): To ask Mr Chancellor of the Exchequer, what is his latest estimate for the growth of business investment in 1988.	MR HIBBERD EA1	CST
39	La	Mr Alistair Darling (Edinburgh Central): To ask Mr Chancellor of the Exchequer, if he will assess the impact of current levels of interest rates on the economy.	MR DAVIES MPI	CST

40	La	Mr Martyn Jones (Clwyd South West): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the outturn of the balance of payments position at the end of the current financial year.	MR HIBBERD EA 2	CST
41	La	Mr Paul Flynn (Newport West): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the outturn of the balance of payments position at the end of the current financial year.	MR HIBBERD EA 2	CST
42	C	Mr Michael Colvin (Romsey and Waterside): To ask Mr Chancellor of the Exchequer, when he last met the Chief Executive of the General Aviation and Manufacturers Association; and what was discussed.	C+E	EST
43	C	Mr James Couchman (Gillingham): To ask Mr Chancellor of the Exchequer, what has been the increase in real personal disposable income over the latest period for which official figures are available.	MR RILEY ETS	FST
44	La	Mr John McAllion (Dundee East): To ask Mr Chancellor of the Exchequer, what forecasts he has regarding long-term trends in the balance of payments.	MR HIBBERD EA 2	CST
45	La	Mr Mark Fisher (Stoke on Trent Central): To ask Mr Chancellor of the Exchequer, what representations he has received from the Confederation of British Industry about the exchange rate of £ sterling.	MISS O'MARA MG 1	EST
46		Mr John Greenway (Ryedale): To ask Mr Chancellor of the Exchequer, what has been the increase in real personal disposable income over the latest period for which official figures are available. WRITTEN 29.7	MR RILEY ETS	X
47	C	Mr Tony Baldry (Banbury): To ask Mr Chancellor of the Exchequer, if he will make a statement on how levels of corporation tax in the United Kingdom compare with those of the United Kingdom's major international competitors.	IR	FST
48	C	Mr Kenneth Hind (West Lancashire): To ask Mr Chancellor of the Exchequer, if he will give the latest figures for the growth of industrial production in the British economy.	MR HIBBERD EA 1	CST
49	E	Mr Michael Fallon (Darlington): To ask Mr Chancellor of the Exchequer, what has been the increase in total employment in the economy since 1983.	WITHDRAWN	X
50	C	Mr Robert Adley (Christchurch): To ask Mr Chancellor of the Exchequer, when he expects to begin considering proposals for his next Budget statement.	MR GILHOLLY FP	FST
51	La	Mr Jack Thompson (Wansbeck): To ask Mr Chancellor of the Exchequer, if he will make a statement on the priorities he will have in preparing his statement on public expenditure for the forthcoming financial year.	MR MACANUSAN GEPI	CST
52	C	Mr Timothy Wood (Stevenage): To ask Mr Chancellor of the Exchequer, what are the latest figures for the growth of manufacturing investment.	MR HIBBERD EA 1	CST
53	C	Mr Michael Knowles (Nottingham East): To ask Mr Chancellor of the Exchequer, how many share sales have taken place since 1979 as a result of the Government's policy of privatisation.	MRS BROWN PE 2	FST
54	C	Mr Chris Butler (Warrington South): To ask Mr Chancellor of the Exchequer, what is his estimate of the contribution to reducing unemployment of each one per cent. annual decrease in average earnings. PRIORITY WRITTEN 19.10	MR DAVIES MPT	X
55	C	Mr Roger King (Birmingham, Northfield): To ask Mr Chancellor of the Exchequer, when he last met his counterparts in the Group of Seven; and if he will make a statement.	MR WALSH IF 1	EST
56	La	Mr Jimmy Dunnachie (Glasgow, Pollok): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current level of interest rates.	MISS O'MARA MG 1	EST
57	La	Mr Peter Hardy (Wentworth): To ask Mr Chancellor of the Exchequer, if he will make a further statement on his policy towards the European Monetary System.	MISS O'MARA MG 1	EST
58	La	Maria Fyfe (Glasgow, Maryhill): To ask Mr Chancellor of the Exchequer, what representations he has received from the Confederation of British Industry about the exchange rate of £ sterling.	MISS O'MARA MG 1	EST

59	C	Mr Nicholas Bennett (Pembroke): To ask Mr Chancellor of the Exchequer, what information he has as to the effect of the reduction of income tax rates in the United Kingdom and in other countries on total tax yields from personal taxes.	IR	FST
60	La	Mr Ted Garrett (Wallsend): To ask Mr Chancellor of the Exchequer, if he will make a statement on the impact of current levels of interest rates on the level of demand in the economy.	MISS O'MARA MGI	EST
61	La	Mr Doug Henderson (Newcastle upon Tyne North): To ask Mr Chancellor of the Exchequer, if he will make a statement on the impact of current levels of interest rates on the level of demand in the economy.	MISS O'MARA MGI	EST
62	La	Mr Bob McTaggart (Glasgow Central): To ask Mr Chancellor of the Exchequer, if he will make a statement on the priorities he will have in preparing his statement on public expenditure for the forthcoming financial year.	MR MACAUSLAN GEP1	CST
63	La	Mr Roland Boyes (Houghton and Washington): To ask Mr Chancellor of the Exchequer, what representations he has received about increases in public expenditure in the forthcoming financial year.	MR MACAUSLAN GEP1	CST
64	^D E H	Mr James Wallace (Orkney and Shetland): To ask Mr Chancellor of the Exchequer, what is the estimated effect to date of tax cuts announced in his Budget on the balance of payments.	MR DAVIES MPI	CST
65	La	Mr Nigel Spearing (Newham South): To ask Mr Chancellor of the Exchequer, if he will make a statement concerning the latest proposals of the Commission of the European Economic Communities concerning the reinstatement of excise duties and value-added tax.	C + E	EST
66	C	Mr John Watts (Slough): To ask Mr Chancellor of the Exchequer, what are the latest figures for the growth of investment in the economy.	MR HIBBERD EA1	CST
67	C	Mr Patrick McLoughlin (West Derbyshire): To ask Mr Chancellor of the Exchequer, what is his estimate of the contribution to falling unemployment of one per cent. off the annual increase in averaged earnings.	MR DAVIES MPI	CST
68	C	Mr Jacques Arnold (Gravesham): To ask Mr Chancellor of the Exchequer, what has been the increase in total employment in the economy since 1983.	MR PICKFORD EB	CST
69	La	Mr A. E. P. Duffy (Sheffield, Attercliffe): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current level of interest rates.	MISS O'MARA MGI	EST
70	La	Mr Henry McLeish (Fife Central): To ask Mr Chancellor of the Exchequer, if he will make a statement of the priorities he will have in preparing his statement on public expenditure for the forthcoming financial year.	MR MACAUSLAN GEP1	CST
71	C	Mr Matthew Carrington (Fulham): To ask Mr Chancellor of the Exchequer, when he last met his counterparts in the Group of Seven; and if he will make a statement.	MR WALSH IFI	EST
72	C	Mr Jerry Hayes (Harlow): To ask Mr Chancellor of the Exchequer, what is his latest forecast for the growth of gross domestic product in 1988.	MR HIBBERD EA1	CST
73	C	Mr David Nicholson (Taunton): To ask Mr Chancellor of the Exchequer, what has been the increase in total self employment in the economy since 1979.	MR PICKFORD EB	CST
74	C	Mr Lewis Stevens (Nuneaton): To ask Mr Chancellor of the Exchequer, what has been the growth of manufacturing productivity in the economy since 1980.	MR PICKFORD EB	CST
75	C	Mr Richard Holt (Langbaugh): To ask Mr Chancellor of the Exchequer, how many civil servants employed in: (a) the Treasury, (b) Customs and Excise, (c) Inland Revenue and (d) other departments for which he is responsible work in the: (i) North of England, (ii) South of England and (iii) Midlands; and if he will make a statement.	MR HANSFORD RC1	PMG
76	C	Mr Phillip Oppenheim (Amber Valley): To ask Mr Chancellor of the Exchequer, when he last attended a meeting of the National Economic Development Council; and what matters were discussed.	MR BURR IAE3	CST

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77	La	Mr William McKelvey (Kilmarnock and Loudoun): To ask Mr Chancellor of the Exchequer, what forecasts he has regarding long-term trends in the balance of payments.	MR HIBBERD EAZ	CST
78	La	Mr Rhodri Morgan (Cardiff West): To ask Mr Chancellor of the Exchequer, what is his forecast for the balance of payments position in the next financial year.	MR HIBBERD EAZ	CST
79	La	Mr Brian Wilson (Cunninghame North): To ask Mr Chancellor of the Exchequer, if he will indicate the areas of expenditure to which he attaches priority in making decisions on public expenditure for the forthcoming year.	MR MACAUSLAN GEP1	CST
80	La	Mr John McFall (Dumbarton): To ask Mr Chancellor of the Exchequer, what forecasts he has regarding long-term trends in the balance of payments.	MR HIBBERD EAZ	CST
81	La	Mr Frank Doran (Aberdeen South): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current level of interest rates.	MISS O'MARA MG1	EST
82		Mr John M. Taylor (Solihull): To ask Mr Chancellor of the Exchequer, if he will give the latest figures for the growth of industrial production in the British economy.	WITHDRAWN	X
83	C	Mr John Butterfill (Bournemouth West): To ask Mr Chancellor of the Exchequer, how many share sales have taken place since 1979 as a result of the Government's policy of privatisation.	MRS BROWN PEZ	FST
84	La	Mr Allan Rogers (Rhondda): To ask Mr Chancellor of the Exchequer, if he will make a statement on his policy towards the exchange rate for sterling.	MISS O'MARA MG1	EST
85	C	Mr Andrew Mitchell (Gedling): To ask Mr Chancellor of the Exchequer, what has been the increase in total self employment in the economy since 1979.	MR PICKFORD EB	CST
86	La	Mr Dave Clelland (Tyne Bridge): To ask Mr Chancellor of the Exchequer, what representations he has received about increases in public expenditure in the forthcoming financial year.	MR MACAUSLAN GEP1	CST
87	La	Mrs Ann Clwyd (Cynon Valley): To ask Mr Chancellor of the Exchequer, what is his forecast for the balance of payments position in the next financial year.	MR HIBBERD EAZ	CST
88	La	Mr Thomas Graham (Renfrew West and Inverclyde): To ask Mr Chancellor of the Exchequer, if he will make a statement on his policy towards the exchange rate for sterling.	MISS O'MARA MG1	EST
89	La	Mr Stuart Holland (Vauxhall): To ask Mr Chancellor of the Exchequer, whether he will make a statement on the action taken by Her Majesty's Government in the light of the September meetings of the International Monetary Fund and the World Bank.	MR WALSH IFI	EST
90	La	Mr Sean Hughes (Knowsley South): To ask Mr Chancellor of the Exchequer, if he will make a statement on the impact of the balance of payments on the current level of sterling.	MR DAULES MPI	CST
91	La	Mr Paul Murphy (Torfaen): To ask Mr Chancellor of the Exchequer, how many independent advisers he has who are paid from public funds.	MR CHIVERS PAYZ	PMG
92	C	Mr Robert G. Hughes (Harrow West): To ask Mr Chancellor of the Exchequer, what has been the growth of manufacturing output during the first half of 1988.	MR HIBBERD EAI	CST
93	La	Mr Adam Ingram (East Kilbride): To ask Mr Chancellor of the Exchequer, how many independent advisers he has who are paid from public funds.	MR CHIVERS PAY	PMG
94	La	Mr Gerry Steinberg (City of Durham): To ask Mr Chancellor of the Exchequer, what information he has as to the current base interest rate or equivalents, in each of the Group of Seven countries.	MISS O'MARA MG1	EST
95	La	Mr Ted Leadbitter (Hartlepool): To ask Mr Chancellor of the Exchequer, what information he has as to the current base interest rate or equivalents, in each of the Group of Seven countries.	MISS O'MARA MG1	EST
96	La	Mr Sam Galbraith (Strathkelvin and Bearsden): To ask Mr Chancellor of the Exchequer, what representations he has received from the Confederation of British Industry about the exchange rate of £ sterling.	MISS O'MARA MG1	EST

97	C	Mr Charles Wardle (Bexhill and Battle): To ask Mr Chancellor of the Exchequer, if he will make a statement on the outcome of the joint annual meeting of the International Monetary Fund and the World Bank.	MR WALSH IF 1	EST
98	La	Mr Bruce Grocott (The Wrekin): To ask Mr Chancellor of the Exchequer, whether he has made any estimate of the increase in workrate of those members of his Department whose marginal rates of tax were cut by the budget to 40 per cent.	MR ALLAN EOG 1	PMG
99	C	Mr Andrew MacKay (East Berkshire): To ask Mr Chancellor of the Exchequer, what has been the growth of manufacturing output during the first half of 1988.	MR HIBBERD EA 1	CST
100	C	Mr Allan Stewart (Eastwood): To ask Mr Chancellor of the Exchequer, what has been the growth of manufacturing output during the first half of 1988.	MR HIBBERD EA 1	CST
101	C	Mr Robert B. Jones (West Hertfordshire): To ask Mr Chancellor of the Exchequer, what is his latest estimate for the growth of business investment in 1988.	MR HIBBERD EA 1	CST
102	Scot Nat'	Mrs Margaret Ewing (Moray): To ask Mr Chancellor of the Exchequer, what was the total amount of revenue accruing to the Exchequer from: (a) exports of Scotch whisky and (b) domestic sales of Scotch whisky for the financial year 1987-88.	C 7 E	EST
103	La	Mr Greville Janner (Leicester West): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the current annual rate of inflation.	MR HIBBERD EA 1	CST
104	C	Mr Henry Bellingham (North West Norfolk): To ask Mr Chancellor of the Exchequer, what estimate he has of the extent to which a further reduction of the marginal rate of income tax will generate more tax revenue; and if he has any indication of the extra revenue generated to date by his Budget measures.	IR	FST
105	La	Mr Ron Brown (Edinburgh, Leith): To ask Mr Chancellor of the Exchequer, what is the value of gold currently held by the Bank of England; and if he will make a statement.	MISS NOBLE FIM 1	EST
106	C	Mr Andy Stewart (Sherwood): To ask Mr Chancellor of the Exchequer, what has been the increase in real personal disposable income over the latest period for which official figures are available.	MR RILEY ETS	FST
107	La	Mr John Battle (Leeds West): To ask Mr Chancellor of the Exchequer, what is his forecast for the balance of payments position in the next financial year.	MR HIBBERD EA 2	CST
108	La	Mr James Marshall (Leicester South): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current level of interest rates.	MISS O'MARA MG 1	EST
109		Mr Jimmy Wray (Glasgow, Provan): To ask Mr Chancellor of the Exchequer, if he will indicate the areas of expenditure to which he attaches priority in making decisions on public expenditure for the forthcoming year. WRITTEN 29.7	MR MAXAUSLAN GEP 1	X
110	La	Mr Austin Mitchell (Great Grimsby): To ask Mr Chancellor of the Exchequer, if he will make a statement on the current level of interest rates.	MISS O'MARA MG 1	EST
111	C	Sir Michael McNair Wilson (Newbury): To ask Mr Chancellor of the Exchequer, what are the latest figures for the growth of manufacturing investment.	MR HIBBERD EA 1	CST
112	La	Mr Win Griffiths (Bridgend): To ask Mr Chancellor of the Exchequer, what is his latest estimate of the annual deficit for 1988 on the current account.	MR HIBBERD EA 2	CST
113	La	Dr John Reid (Motherwell North): To ask Mr Chancellor of the Exchequer, if he will indicate the areas of expenditure to which he attaches priority in making decisions on public expenditure for the forthcoming year.	MR MAXAUSLAN GEP 1	CST
114	La	Mr Andrew Smith (Oxford East): To ask Mr Chancellor of the Exchequer, if he will make a statement on the impact of the balance of payments on the current level of sterling.	MR DAVIES MPI	CST
115	C	Mr Robert McCrindle (Brentwood and Ongar): To ask Mr Chancellor of the Exchequer, when he last met the President of the Confederation of British Industry; and what subjects were discussed.	MR BURR IAE 3	CST
116	C	Mr Teddy Taylor (Southend East): To ask Mr Chancellor of the Exchequer, if he will make a statement on his exchange rate policy.	MISS O'MARA MG 1	EST

117	C	Mr Douglas French (Gloucester): To ask Mr Chancellor of the Exchequer, if he will make a statement on the latest position on the European harmonisation of company taxation.	IR	FST
118	La	Majorie Mowlam (Redcar): To ask Mr Chancellor of the Exchequer, what information he has as to the current base interest rate or equivalents, in each of the group of seven countries.	MISS O'MARA MGI	EST
119		Mr Peter L. Pike (Burnley): To ask Mr Chancellor of the Exchequer, what recent representations he has received regarding those items at present zero-rated for value-added tax. WRITTEN 29.7	CTE	X
120	La	Mr David Nellist (Coventry South East): To ask Mr Chancellor of the Exchequer, what proposals to extend the range of goods and services covered by value-added tax are currently being considered; how many recent representations he has received on this topic; and if he will make a statement.	CTE	EST
121	La	Dr Norman A. Godman (Greenock and Port Glasgow): To ask Mr Chancellor of the Exchequer, if he will make a further statement on his policy towards the exchange rate for sterling.	MISS O'MARA MGI	EST
122	C	Mr Michael Latham (Rutland and Melton): To ask Mr Chancellor of the Exchequer, whether he will make a statement on progress in receiving the Government's ultimate objective of price stability.	MR HIBBERD EAI	CST
123	La/ C	Dr Lewis Moonie (Kirkcaldy): To ask Mr Chancellor of the Exchequer, if he will make a statment on the priorities he will have in preparing his statement on public expenditure for the forthcoming financial year.	MR MACAUSLAN GEP1	CST
124	C	Mr Graham Riddick (Colne Valley): To ask Mr Chancellor of the Exchequer, whether he has any further plans to seek to increase the taxation paid by individuals enjoying the benefits of a company car.	IR	FST
125	D E M	Mr Matthew Taylor (Truro): To ask Mr Chancellor of the Exchequer, if he will estimate the effects of the tax cuts announced in the budget on the rate of inflation. PRIORITY WRITTEN 19.10	MR DAVIES APT	X
126	C	Mr Keith Mans (Wyre): To ask Mr Chancellor of the Exchequer, what are the latest figures for the growth of investment to the economy.	MR HIBBERD EAI	CST
127	C	Mr Spencer Batiste (Elmet): To ask Mr Chancellor of the Exchequer, what are the latest figures for the growth of investment in the economy.	MR HIBBERD EAI	CST
128	C	Mr Nicholas Baker (North Dorset): To ask Mr Chancellor of the Exchequer, when he last met his counterparts in the EEC; and if he will make a statement.	MR MORTIMER EC1	PMG
129	La	Mr John Cummings (Easington): To ask Mr Chancellor of the Exchequer, if he will make a statement on the impact of current levels of interest rates on the level of demand in the economy.	MISS O'MARA MGI	EST
130	La	Mr Tony Worthington (Clydebank and Milngavie): To ask Mr Chancellor of the Exchequer, if he will indicate the areas of expenditure to which he attaches priority in making decisions on public expenditure for the forthcoming year.	MR MACAUSLAN GEP1	CST
131	La	Mr Graham Allen (Nottingham North): To ask Mr Chancellor of the Exchequer, what is the average payment of value-added tax made by a couple with two children now and in 1979. PRIORITY WRITTEN 19.10	CTE	X
132	C	Mr Greg Knight (Derby North): To ask Mr Chancellor of the Exchequer, if he will give his latest estimate of the growth of manufacturing productivity over the latest three months period for which figures are available.	MR PICKFORD EB	CST
133	C	Mr Harry Greenway (Ealing North): To ask Mr Chancellor of the Exchequer, what is his latest estimate for the balance of payments in the current year; and if he will make a statement.	MR HIBBERD EAI	CST
134	La	Ms Joyce Quin (Gateshead East): To ask Mr Chancellor of the Exchequer, if he will make a statement on the impact of current levels of interest rates on the level of demand in the economy.	MISS O'MARA MGI	EST

135	C	Mr John Townend (Bridlington): To ask Mr Chancellor of the Exchequer, what is his latest forecast for the growth of gross domestic product in 1988.	MR HIBBERD EA1	CST
136	C	Mr Roger M. Knapman (Stroud): To ask Mr Chancellor of the Exchequer, what are the latest figures for the growth of manufacturing investment.	MR HIBBERD EA1	CST
137	D E M	Mr Simon Hughes (Southwark and Bermondsey): To ask Mr Chancellor of the Exchequer, if he will make a statement on the effects of the tax cuts announced in the Budget on the levels of consumer expenditure. PRIORITY WRITTEN 19.10	MR DAVIES MPI	X
138	B W	Mr John Bowis (Battersea): To ask Mr Chancellor of the Exchequer, what has been the growth of manufacturing productivity in the economy since 1980. WRITTEN 29.7	MR PICKFORD EB	X
139	C	Mrs Elizabeth Peacock (Batley and Spen): To ask Mr Chancellor of the Exchequer, what is his estimate of the contribution to falling unemployment of 1 per cent. off the annual increase in average earnings.	MR DAVIES MPI	CST
140	La	Mr Stuart Bell (Middlesbrough): To ask Mr Chancellor of the Exchequer, what representations he has received about increases in public expenditure in the forthcoming financial year.	MR MACAUSLAN GEPI	CST
141	C	Mr Ian Mills (Morden): To ask Mr Chancellor of the Exchequer, what has been the growth of manufacturing output during the first half of 1988.	MR HIBBERD EA1	CST
142	C	Mr Jeremy Hanley (Richmond and Barnes): To ask Mr Chancellor of the Exchequer, what has been the increase in total self-employment in the economy since 1979.	MR PICKFORD EB	CST
143	La	Mr Richard Caborn (Sheffield Central): To ask Mr Chancellor of the Exchequer, what is his forecast for the balance of payments position in the next financial year.	MR HIBBERD EA2	CST
144	C	Mr Sydney Chapman (Chipping Barnet): To ask Mr Chancellor of the Exchequer, by how much his latest estimate of total Government revenue in 1988/89 differs from his Budget forecast.	MR GILHOOLY FP	FST
145	C	Dr Ian Twinn (Edmonton): To ask Mr Chancellor of the Exchequer, if he will give the latest figures for the growth of industrial production in the British economy.	MR HIBBERD EA1	CST
146	C	Mr David Martin (Portsmouth South): To ask Mr Chancellor of the Exchequer, what is his latest forecast for the growth of gross domestic product in 1988.	MR HIBBERD EA1	CST
147	C	Sir Peter Emery (Honiton): To ask Mr Chancellor of the Exchequer, what steps he has taken to prepare British fiscal policy for 1992.	MR GILHOOLY FP	FST
148	La/ Co	Mr George Foulkes (Carrick, Cumnock and Doon Valley): To ask Mr Chancellor of the Exchequer, what resources the Inland Revenue is currently devoting to investigations of the tax affairs of companies; and if he will make a statement.	IR	FST
149	La	Mr Jimmy Hood (Clydesdale): To ask Mr Chancellor of the Exchequer, how many independent advisers he has who are paid from public funds.	MR CHIVERS PAY 2	PMG
150	La	Mr Barry Jones (Alyn and Deeside): To ask Mr Chancellor of the Exchequer, if he will call a conference of Government, the Trade Union Congress and the Confederation of British Industry to discuss the implications for the British economy of the adverse balance of trade.	MR HIBBERD EA2	CST