

CONFIDENTIAL

PRIME MINISTER

BILATERAL WITH THE CHANCELLOR

The main subject for discussion will be the Budget. The Chancellor will be sending you a minute tomorrow morning. This will discuss a number of proposals which you already know about. It will seek your formal approval.

Otherwise, the Chancellor wants to take you through some issues raised by the forecast, and also to discuss direct tax.

This is likely to take up most of the time, but if there is an opportunity you could ask him about the latest position on JMB, and it might also be helpful to talk about the position reached on BL.

*DNS*

(DAVID NORGROVE)

4 March 1986

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