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Treasury Chambers, Parliament Street, SW1P 3AG
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10 October 1988

Rt Hon Norman Fowler MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NA

John Norman

COMMUNITY CHARGE - RPI

I have now had an opportunity to think further about your letter to me of 28 July, ^{or WITH PC?} and have seen copies of Nick Ridley's letter to you of 12 August, the letter from the Director of the Central Statistical Office of 26 August to your Private Secretary, Peter Lloyd's letter of 8 September, and John Moore's letter of 3 October. *Prox*

Although the arguments against including the Community Charge in the RPI, set out in paragraph 2 of the draft note by officials, are in my view strong ones, my preliminary opinion is that the Community Charge should be included in the RPI. We will, of course, need to consider the issue further once we have the Committee's views.

I am copying this letter to the Prime Minister, and to the Secretaries of State for the Environment, Social Security, and Scotland, as well as to Sir Robin Butler and the Director of the Central Statistical Office.

John Norman
Nigel Lawson

NIGEL LAWSON

LOCAL GOVT: Palang PTII

