

PRIME MINISTER

Prime Minister
Mr. Vide
Civil Service

Civil Service Manpower content to proceed as
at X.

In your summing up at Cabinet this morning, you left open the way in which the Lord President should conduct his bilateral discussions with Departmental Ministers.

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X | 2. The Lord President himself has suggested, both in private conversation with you and at Cabinet, that there should be a new Ministerial Group on the lines of MISC 11 (the Chancellor's Group which examined the Public Expenditure Savings in 1980-81). In my brief for this morning's Cabinet, I set out some of the difficulties in this course: notably, that other Ministers resent being subjected to 'star chamber' treatment. A more practical difficulty is that of assembling a quorum at a time when a lot of Ministers plan to be away before the Party Conference. On balance, I am inclined to think that it would be better if the Lord President were left to conduct these talks on his own, bringing in a Treasury Minister (Lord Cockfield or another) where there is any overlap with the Public Expenditure operation. This is the way in which the Chancellor and the Chief Secretary propose to conduct their own operations.

3. However, if you wished to create a new Ministerial Group for the purpose, then I suggest that the members might include the Lord President himself (in the chair); a Treasury Minister (subject to the Chancellor of the Exchequer's views, this might be Lord Cockfield); a 'neutral' Minister with relatively small staff responsibilities (I would suggest the Lord Privy Seal, if he could find the time, because he is not himself in charge of a Department); and the Secretary of State for Trade, whose zeal for staff reductions is already demonstrated but who is abroad until 3 October. Or you might think of adding Mr Jenkin who has done rather well himself and has a Treasury background. We would, of course, provide the Secretariat, with help from CSD. The Group might proceed in the same way as

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MISC 11, by inviting the individual Departmental Ministers to appear before it. But given the problems of getting such a group together for several meetings at the present, I think that, if you wished to proceed in this way, we might have to allow a little more time for completion of the exercise, and bring it back to Cabinet early in November other than in the middle of October.

Perhaps you would let me know how you would like the Lord President to proceed.

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PP JOHN HUNT

13 September 1979