MANAGEMENT-IN-CONFIDENCE

PRIME MINISTER

If the unions will, in fait, cooperate, we should restars test the ground before considering whether to go as the

CHAIN OF COMMAND BEVIEW

You sought advice on a possible Ministerial Statement attack publicly condemning the hostile attitude of the Unions towards this Review.

When I saw Kendall of the Council of Civil Service Unions recently he made it clear to me that whilst the union side would have to make noises about this we would, in the end, get what we wanted. He has also now written to the Department to say that the Unions are reconsidering their attitude. With this in mind I think it would be much wiser to give this a chance and to see how we get on. In a few weeks we should have a clearer idea of what is happening on the ground. In the light of that, we could then consider what if any public statement we should make. If Kendall turns out to be right and we can in fact get what we want, any statements now would be inflammatory and could make matters worse.

I do quite see why you want to do this but I hope you will agree that we can see how things develop before we act.

SOAMES

9 January 1981