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25 November 1980

Dear Prime Minister

I am writing to you, as our Minister, on behalf of the Staff Side to tell you of the grave concern felt by Cabinet Office staff at the recent declaration by the Official Side that the Pay Research Unit basis for negotiating salary levels within the Civil Service was being suspended.

We are dismayed at the way in which a mutual agreement, freely entered into, has been broken. Well established procedures for consultation and negotiation have been abandoned without any indication of when the pay agreement will be fully observed and will, of course, inevitably lead to mistrust of any future agreement.

Members of staff are well aware of the problems facing the country. However, we would point out the serious effect on the morale and attitude to work of your employees of dictating terms and conditions rather than explaining the aims of government and attempting to reach agreement on the best way of achieving those aims.

The staff in the Cabinet Office, as indeed the whole Civil Service, have a tradition of loyalty towards the government and wish to serve their employers as efficiently and wholeheartedly as possible. It seems a pity, therefore, that the goodwill and trust which normally underlies staff management relations in this department is being eroded by the lack of concern at the national level for the well established procedures governing employee relations in the Civil Service.

Yours sincerely

F J JOHNSON Chairman Staff Side

The Prime Minister 10 Downing Street



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