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30th May 1979

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Dear Prime Minister,

I have given directions on the application of the freeze on Civil Service recruitment in the Ministry of Defence. I intend to look positively at the scope for further savings in the light of the Cabinet's discussion of the Lord President's proposals, and I have no doubt that I shall find some. I ought, however, to emphasize that in defence - unlike other Departments - this exercise comes on top of efforts that have already been made to cut back on Civil Service manpower. Since 1st April 1974 MOD numbers have been cut by 35,500 and PSA staff on defence account by 5,800. These are real cuts in numbers, and not cuts in planned growth. It would be interesting to know what has happened elsewhere.

These cuts exceed the target of 40,000 set by our predecessors even though certain commitments (eg Cyprus, Northern Ireland) which were assumed to end have not. These extra commitments account for 4,800 staff. We have had to compensate for these extra posts by undermanning, and the defence programme is at risk.

Headquarters staffs have been cut by 14%; Senior posts (Under-Secretary and above) have been cut by 9% and the current target is not less than 19% by 1982. It would be interesting to know the figures overall over the last 5, 10 and 15 years.

/ 130,000 ...

The Rt Hon Margaret Thatcher MP

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130,000 of my civilians are the industrial workforce manning the dockyards, factories, ordnance depots etc on which the Services depend and with a thriving and highly profitable export trade covering both the public and private sectors. They are not bureaucrats.

I am sending copies of this letter to Geoffrey Howe and Christopher Soames.

Yours ever

Francis

Francis Pym

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