

SUBJECT

CONFIDENTIAL FILE

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cc Mr. Augustid
cc master

10 DOWNING STREET

From the Private Secretary

8 April 1981

BF 13.4.81

Dear Tim.

As you know, the Prime Minister had a discussion with the Lord President and the Chancellor of the Exchequer this evening about the Civil Service pay dispute. In addition to discussing the Lord President's proposals as contained in his paper for Cabinet tomorrow, they discussed the question of co-ordination and monitoring. The Chancellor argued that the Government's position needed to be concerted to a greater extent than it was at present. Information on the conduct of the dispute was coming in in a rather haphazard way. Departments were not sufficiently informed of what was going on in other departments, and departments' response to the dispute needed to be better co-ordinated. He suggested that a Ministerial committee should be established which would meet daily.

The Lord President explained that there was already an official group under CSD chairmanship at Under-Secretary level which met twice weekly. Its job was to co-ordinate the Government's position in the way the Chancellor was suggesting, but it could only be effective if departments affected by the strike kept it fully informed.

The Prime Minister said that, to meet the Chancellor's concern, the present group should be up-graded and should meet, at least for the time-being, on a daily basis. It should be chaired by Mr. Hayhoe and those departments currently affected by the dispute should be represented at Deputy Secretary level. It would be desirable that the Home Office (in view of the police aspect), the Law Officers' Departments, and No.10 should be represented, and also possibly the Department of Employment.

The Prime Minister would be grateful if the Lord President would quickly advise on which departments should be represented with a view to setting up the new group forthwith.

I am sending a copy of this letter to John Wiggins (HM Treasury) and David Wright (Cabinet Office).

Jim Buckley, Esq.,
Civil Service Department.

[Handwritten signatures]
Tim Lahr.

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