

Prime Minister's Engagements

The Prime Minister will be visiting the CSD today. This is one of a series of visits she is making to inform herself of the major aspects of the Government's work. Mrs. Thatcher will spend the weekend at Chequers.

White Paper list

Distributed.

Press Notice

Visit of Italian Prime Minister to Britain 29/30 January.

Non-departmental Public Bodies (otherwise known as Quangos)

We told the Lobby on an operational basis that Sir Leo Pliatzky's Report would draw together the first results of his Review and would be a background of substance.

Civil Service Cash Limits

Referring to stories in this morning's papers about an alleged letter from the Treasury about Civil Service cash limits (Treasury are neither confirming nor denying the existence of a letter), we drew the Lobby's attention to the announcement in November by the Government Actuary in which he said that an increase in earnings of 14% had been assumed for the economy as a whole for 1980/81 for the purpose of calculating national insurance contributions. The Bray forecast published in December had also assumed a 14% increase in the index of retail prices - fourth quarter of 1980 on the fourth quarter of 1979.

We also pointed out that in submitting evidence to the <sup>Treasury/CSD Select Committee</sup> PAC recently the Government had made it clear that decisions on Civil Service pay would not be taken until the results of the current Pay Research Unit exercise were known. It had also been made clear on that occasion that a global vote would be established to cover Civil Service pay.

We said that the Lobby should not assume that a 14% increase in earnings had been agreed as a public sector pay norm. There were no pay norms and the Government would hope to achieve the lowest possible outturn for increases in public sector pay consistent with the various pressures that existed.

Steel

The Government was keeping itself up-to-date with developments. There might possibly be a meeting of Ministers this afternoon under the Prime Minister's chairmanship to discuss this subject.

Fourth Channel

We understood the Home Office hoped to be able to publish their Bill on the fourth channel within the next few weeks. There might still be issues to be resolved but the Bill was going ahead.

CA  
11 January 1980