

E.R.

CS
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MAP 11/2

PM seen

PRIME MINISTER

cc Mr Wolfson
Mr Lankester

Lord Soames has tried again to persuade colleagues that he should announce the revised broad departmental targets for Civil Service manpower in 1984 (Flag A). His new draft makes it clear that detailed plans will not be completed for some time.

The Chancellor still objects strongly to any such composite announcement (Flag B). He believes that the target for his Department may yet prove incompatible with financial strategy, and may therefore have to be revised. He therefore suggests that those Departments who are happy with their target should announce them, but others like him should not be pressed to do so.

If the Chancellor is allowed to preserve his options, I cannot see any other Ministers rushing to announce the targets they have accepted. The Lord President cannot go ahead with his announcement in the face of the Chancellor's objections. Would you like to raise this with the Chancellor when you see him tomorrow?

MA

25 November 1980



Treasury Chambers, Parliament Street, SW1P 3AG
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PRIME MINISTER

Following your Private Secretary's letter of 13 November to the Lord President's Private Secretary I have given further thought to this matter but I remain firmly of the opinion expressed in my minute to you of 14 November. I remain worried that even to achieve the objective of 107,000 for my Departments may not prove consistent with achievement of our financial strategy, and I think it would be wrong for me to be committed to a substantially lower figure. Where the Minister in charge of the Department thinks it desirable to do so, there is no reason why his individual target should not be announced. But I strongly believe we should avoid the announcement of targets in cases such as my own where by the nature of things no convincing explanation can be given of the means that will be adopted to meet those targets.

A handwritten signature in black ink, appearing to be 'G.H.' with a stylized flourish.

(G.H.)

24 November 1980

I am sending copies of this to Cabinet colleagues, including the Minister of Transport, and to Sir Robert Armstrong.