

CONFIDENTIAL



Prime Minister
Cabinet Office say
this is fine.

Content ?

PRIME MINISTER

Agreed mb

R
27/7

FURTHER REDUCTIONS IN THE CIVIL SERVICE

You will remember that we have planned to discuss this in September. I understand however that present plans only envisage a Cabinet meeting on 13 September and perhaps none after that until after the Party Conference.

2. Our colleagues' contributions to the Civil Service reductions exercise are not due until the end of this month, and I understand that 2 or 3 of them will be at least a few days late. There will then be a massive job to do in analysing them and presenting possible ways of achieving the cuts we are seeking. No way could that be completed by 13 September.

3. On the other hand, it is important that we should begin the process of Ministerial discussion as early as possible. I understand that the Chancellor hopes to discuss public expenditure in the years after 1980/81 on 13 September, and there are obvious advantages in bringing these two operations into alignment. I propose therefore that I should produce an interim report for 13 September which will identify the main issues for decision, ie the big choices we should have to make in order to achieve the cuts. On that basis, the Cabinet might then invite me, with help from a Treasury colleague, to hold discussions with the other Ministers chiefly concerned in order to sift through the choices in detail and prepare proposals for Cabinet decision.

4. I am sending copies of this minute to the Chancellor of the Exchequer and Sir John Hunt.

S.

SOAMES
25 July 1979



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225 JUL 1979



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TSF
Civil Service

10 DOWNING STREET

From the Private Secretary

30 July 1979

Further Reductions in the
Civil Service

The Prime Minister has seen the Lord President's minute of 25 July, proposing that he should make an interim report to Cabinet on 13 September, which could be followed by discussions with the other Ministers chiefly concerned in order to prepare proposals for Cabinet decision.

The Prime Minister is content that the Lord President should proceed in this way.

I am copying this letter to Tony Battishill (H.M. Treasury) and Martin Vile (Cabinet Office).

N. J. SANDERS

Jim Buckley, Esq.,
Lord President's Office.

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JS