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8



10 DOWNING STREET

From the Private Secretary

6 May 1981

CIVIL SERVICE DISPUTE

The Prime Minister has read the Lord President's minute of 1 May. She has noted his view that "we are unlikely to get the unions to settle without arbitration for 1982". She has, however, confirmed that when she said arbitration was non-negotiable she had in mind 1982 as well as 1981. She remains of the view that arbitration in 1982 would cause the greatest difficulties for the Government.

I am sending copies of this letter to John Wiggins (H.M. Treasury), Richard Dykes (Department of Employment) and David Wright (Cabinet Office).

J. P. LANKESTER

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

J.P.

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