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*MAF.*



PRIME MINISTER

CIVIL SERVICE MANPOWER

At Cabinet last Thursday we agreed to aim at a total provision of 695,000 by 1 April 1981 and 685,000 by 1 April 1982.

Colleagues have since submitted revised Estimates. As a result, the figures have come down, but are still too high by 1,000 on the first date and 5,500 on the second.

I am grateful for your agreement that I should raise this at Cabinet tomorrow. The line I would take, if you agree, is:-

- (a) we must now settle these figures very quickly in order to keep to Geoffrey Howe's timetable for the Estimates; there is not time for another Cabinet discussion in January;
- (b) I propose to circulate to colleagues during the next few days the figures for each Department for 1 April 1981 and 1 April 1982 which I am prepared to provide for in the Estimates;
- (c) the fairest method of dealing with 1 April 1981 is to allocate the original shortfall (3,500) as nearly as possible pro rata; this will mean that I shall not have to ask those colleagues who have made good offers since last Thursday for more;
- (d) for 1 April 1982, I propose to be a little more discriminating and take account of the savings which I think can reasonably be expected from, for example, the recent scrutiny of benefits for the unemployed.

*S.*

SOAMES

16 December 1980

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