

PRIME MINISTER

CIVIL SERVICE NUMBERS AND COSTS

1. I was grateful for your approval in general terms to the draft paper I sent to you on 14 April. The amendments you suggested have been made.
2. I have now discussed this issue with the Chancellor of the Exchequer and Sir Derek Rayner. Here is a revised version of the paper.
3. There are some changes in the order of our draft conclusions and the argumentation that leads up to them. The Chancellor thinks it important, and I agree, to avoid giving colleagues the impression that we are going for a target which is arbitrary and which some may think is unrealistically high. I think that neither attack is true but have redrafted the paper in an attempt to minimise these charges.
4. I have also talked to Michael Heseltine. He will prepare a paper on the lines you discussed with me. I have also asked him for views on my draft paper.
5. I am sending copies of this minute to the Home Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, Sir Robert Armstrong and Sir Derek Rayner.

PC

PAUL CHANNON

18 April 1980