



PRIME MINISTER

COST OF CIVIL SERVICE PAY INCREASES

You said recently in the House that the offer of 7 per cent to the civil service will lead to an increase of 11 per cent over last years pay. This is just to advise you to be chary of using that figure. Taking account of plusses and minuses it looks as if it will be notably lower than that - between 8 and 9 per cent.

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13 April 1981

PRIME MINISTER

7% for the pay rise itself
+ 1% for staging
+ 1% for incremental drift
9%

+ elements for industrials staging and, possibly, one or two other bits and pieces
- manpower savings \Rightarrow 8-9% MJS