CONFIDENTIAL



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DEPARTMENT OF EDUCATION AND SCIENCE

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FROM THE SECRETARY OF STATE

The Rt Hon Mrs Margaret Thatcher MP Prime Minister 10 Downing Street LONDON SW1

January 1980

Peer Prime Minister.

You asked me in Cabinet this morning whether I could make any savings in non-teaching or teaching costs towards the further cuts in education rising to £34m in 1983-84 which Geoffrey Howe was seeking.

The Department of the Environment's Joint Manpower Watch (JMW) figures show that between March 1975, when they were first collected, and September 1979, the date of the last return, the number of non-teaching staff fell by just over 2 per cent. And John Biffen's paper C(80)7 shows that the decisions we took last autumn will mean a further fall of over 15 per cent by 1983-84.

The JMW figures for <u>teachers</u> and <u>lecturers</u> show an increase of just under 2 per cent since 1975; and John Biffen's paper records that our plans already provide for a fall in <u>teacher</u> numbers of <u>more</u> than 10 per cent by 1983-84. As a result the pupil teacher ratio in schools in 1983-84 will be 18.7, the same as it is now.

In the light of these figures I can do no other than stand by the judgement I expressed this morning that any further reductions would not be acceptable because they would mean a fall in educational standards.

I am sending copies of this letter to Geoffrey Howe, John Biffen and Sir Robert Armstrong.

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MARK CARLISLE

