MANAGEMENT IN CONFIDENCE

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Agre ld Soames' proposed, which seems smeiste?

PRIME MINISTER

THE PAY RESEARCH/TOP SALARIES REVIEW BODY INTERFACE

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For some years there has been a problem at the interface between the pay of Assistant Secretaries and that of Under Secretaries. This is to let you know how I would propose to deal with it.

Assistant Secretaries have their pay settled in the normal way by negotiations on the Pay Research evidence. The pay of Under Secretaries is determined by the Top Salaries Review Body (TSRB) which collects its own evidence of outside rates and works in a different way.

The problem is that the rate indicated by Pay Research for the maximum of the Assistant Secretary scale has often been too close to, or has exceeded, the rate recommended by the TSRB for the Under Secretary. It has been necessary to reduce the appropriate salary for Assistant Secretaries to keep some sort of differential between Under Secretaries and them. The position is obviously unsatisfactory to everybody. This year Assistant Secretaries were promised a review of the problem to see if a solution could be found.

I propose to invite the Pay Research Unit Board (PRUB) and the TSRB to consider the problem jointly and to make proposals for its resolution. I would ask the two bodies to consider the problem urgently in the hope that new arrangements can apply for the 1 April 1980 settlement. If this proves to be impossible, however, it may be necessary exceptionally to allow any dispute about Assistant Secretary pay next year to go to arbitration: I think it would be a good idea to have one member who would serve on both PRUB and TSRB. Sir Derek Rayner would be an ideal candidate but he is far too busy. There is a vacancy on TSRB at the moment. I am looking for a good candidate who could be suitable to fill this and also serve on PRUB. I hope to submit the names of suitable candidates for your approval shortly.

Copies of this minute go to the Chancellor of the Exchequer and the Secretary of State for Employment.

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SOAMES
November 1979

PRIME MINISTER

THE PAY RESEARCH/TOP SALARIES REVIEW BOARD INTERFACE

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