MR WHITMORE

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CIVIL SERVICE PAY ENQUIRY: TERMS OF REFERENCE

- 1. The note of today's meeting invites comments on the terms of reference to be sent to you. There is one point which needs clearing up.
- 2. The terms of reference are in two parts: a preamble and a substantive part.
- 3. As Sir Robert's brief for today's meeting makes clear, his terms of reference, which were circulated at the meeting, were first drafted on 15 April. The meeting agreed today to accept his version of the substantive part.
- 4. But his version of the <u>preamble</u> was overtaken by the Prime Minister's own comments (see Tim Lankester's letter of 27 April and the attachment to Lord Soames' minute of 1 May). This later version of the preamble incorporates, at the Prime Minister's request, references to the control of inflation and avoidance of disruption (the latter is there as a peg on which to hang any recommendations about a no-strike agreement). At the Prime Minister's request, it also dropped references to "fair remuneration".
- 5. I am copying this minute to Sir Robert Armstrong and to John Vereker here.

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1.5. You may remember I hassed you a scribble to this effect during .

JOHN HOSKYNS