



PRIME MINISTER

MPS' PAY AND PENSIONS

Now that I have sent out the factual paper on pay and pensions of MPs to all Members under cover of my letter of 23 October, we need to begin consideration of the next steps. I have discussed these with the Chief Whip and we think that it will be important to undertake urgent discussions with our own supporters in the House and with the principal Opposition interests. Accordingly, I propose next week to hold meetings with Edward du Cann and Kenneth Baker, and separately with Michael Foot and Alan Beith to sound likely Parliamentary reaction to the content of the factual paper.

In the letter, as in my statement to the House on 7 August, I promised consultations on linkage of salary, but it seems wise in view of the potential difficulties with the pensionable rate of pay and the accrual rate for pensions to extend the consultations to these subjects also. As soon as they are complete I will report to you more fully with proposals for the next stage. You will then be able to judge whether a Cabinet discussion seems necessary or the matter can be cleared in correspondence.

As to timing, we are committed to give Members an opportunity to vote on further proposals; the Chief and I would like to dispose of this matter so far as possible before the Prorogation (perhaps with a short debate during the week after next), but it is not yet clear whether this will in fact be possible.

I am sending copies of this minute to Willie Whitelaw, Geoffrey Howe, Christopher Soames, Michael Jopling and Sir Robert Armstrong.

*N St J S.*

N St J S  
28 October 1980 (recd 30/10)





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