

## PRIME MINISTER

I have seen Christopher Soames' minute to you of 7 November, and agree with the points made by Peter Walker in his minute of 12 November. Although he speaks in terms of the 6 months which have elapsed since you announced the global targets for Civil Service manpower but 1 April 1984, it is in fact only 2 or 3 weeks since Cabinet considered what this target meant for individual Departmental Ministers. This was because the plans proposed by Departmental Ministers did not match up with the global target and therefore increased targets for individual departments had then to be allocated, on none to scientific a basis, in order to achieve the global target. Of course we accept the new target figures as targets. However, I think that that is a quite separate thing from being able to explain to backbenchers, the media and the Unions, my "plans", to use Christopher's word, about how I intend to achieve the target for my department.

The Cabinet's decision means that I have, as my target, to find more than 3,000 staff savings over and above my existing commitments, which then included more than 2,000 staff savings from means yet to be identified. Because of the Cabinet's decision urgent reviews of the further scope for additional reductions, both in terms of functions and efficiency have been instituted. I am prepared to do my utmost to achieve the manpower reductions target required of me by the Cabinet decision. But that is an entirely separate issue from being able to explain now, both confidently and in detail, to backbenchers, the media, the public and the Unions, how this is going to be achieved.

I think we can hold off an announcement for a month or two without loss of credibility and I believe that an announcement then, with Ministers better able to give flesh to the bare outlines of departmental targets, will carry more conviction.

I am sending copies of this minute to Cabinet Colleagues, including Minister of Transport, and Sir Robert Armstrong.

P.J.

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