



1. You asked for comments on the proposed membership of the independent inquiry into Civil Service Pay.

2. I shall deal first with the manager members. To my mind, the most important consideration is the breadth of skills and the trading environment of the business with which they are associated. This would lead one to the conclusion that the appropriate candidates would be from firms such as:

- (1) Boots - manufacturing, professional staff, large numbers of junior staff.
- (2) Courtaulds - wide range of activities and operating in difficult circumstances.
- (3) United Biscuits - wide range of food and catering activities; has had to deal in recent years with contraction in some areas and expansion in others in highly competitive markets.
- (4) Littlewoods - exceptionally large numbers of clerical staff and a range of different activities.

3. In my view, it is important to write to the Chairman of each company and ask for an appropriate nomination from the main Board, rather than ask the Chairman himself to serve, as he might well not be well informed in the area that will be covered by the inquiry. For example, Nicholas Horsley of Northern Foods is mentioned; this is a first class large organisation, working successfully in very competitive areas, but Nicholas Horsley is the financial brain of the business. His Managing Director, Christopher Haskins, would be the more suitable nominee.

4. I would certainly include, as is suggested, a member of the existing Pay Research Unit Board as they are well aware of the shortcomings of the present arrangements, as



are highlighted in the latest report and previous communications from Lord Shepherd.

5. The list of proposed Chairmen is a good one. I know them all personally apart from the Judge. Amongst the names listed for members, I would have thought that Mr William Rees-Mogg is not a candidate: his track record does not suggest that he knows how to handle staff and pay. In the list of small businesses, none of those mentioned are known to me, but if you fail to find a candidate from this list, I would suggest Mr S Crookenden, Chairman of K Shoes (medium-sized business), as a man of wide experience. Of the women mentioned, without knowing the person, Marjorie Hurst of Brook Street Bureau seems to come from an ideal background: she must clearly be very familiar with matters of pay and conditions generally available, particularly for junior members of staff.


Derek Rayner
12 June 1981