TELEPHONE CONVERSATION BETWEEN THE PRIME MINISTER AND LORD LEVER ON SUNDAY 5 JULY

Lord Lever: Good afternoon Prime Minister.

Prime Minister: Harold, how are you?

Lord Lever: I'm well thank you. I've had rather a nasty. . you can hear the croaking that remains of it, had a week's nasty cold but I'm just about recovering.

<u>Prime Minister</u>: Oh I'm so sorry. We always get a bad summer cold - I always do and when they come they're always much much more difficult to get rid of than winter colds.

Lord Lever: That's right and I think it's now on its way out. And are you well?

Prime Minister: Harold I think you have been talking to Woodrow about this inquiry into civil service pay which I see Woodrow has very naughtily panned in this column today.

Lord Lever: Oh I haven't seen Woodrow's column today.

Prime Minister: Well he says it should have reported earlier etc. etc. He has been a bit difficult today, Woodrow. But you know we appointed a judge, a retired judge, not a judge because I didn't think it a job for a judge.

Lord Lever: No Megaw.

Prime Minister: . . . but a retired judge. The reason a retired judge was appointed was really to give the Civil Service some sort of confidentiality that it would be wholly impartial and I was asking if you would serve on that Committee.

Lord Lever: Well of course Prime Minister. Any help you need - I would do that. It won't be too onerous in time will it?

Prime Minister: No I don't think it will be too onerous in time and what I do want Harold is someone to push it along.

Lord Lever: Ah well I'm good at that at any rate because I don't believe in letting it fall into a torpor. You know with the steel strike, Prime Minister, they came to me on Thursday and they said well a week on Friday we could sit down and have the preliminaries. I said well I want the strike settled by then and I made them . . .

Prime Minister: . . . sit down there and then. Well I suspect that these folk will want to take some evidence or something.

Lord Lever: Oh they'll need more time for this I know.

Prime Minister: And I myself I don't think that things are improved by taking a week or a month between meetings.

Lord Lever: Nor do I that's the fault of Select Committees.

Prime Minister: Yes it depends upon the amount of priority that one's actually prepared to give right at the beginning and the impetus. Let me tell you who I am asking. You are the only one I am asking myself, Harold.

Lord Lever: Well that guarantees no refusal.

Prime Minister: Bless you. I am asking Lady Seear, Alan Lord - you remember him.

Lord Lever: Oh yes absolutely first class.

Prime Minister: Bob Ramsay of Fords - I think he has just retired.

Lord Lever: Oh you've got a good team.

Prime Minister: And George Russell. Isn't he Alcan?

Lord Lever: Oh yes I've met him. I did some negotiation with him years ago in connection with our pre-payment of debt. I think is the man I met.

<u>Prime Minister</u>: And I think he was also on the Pay Research Unit - I thought we had better have someone on there who knew exactly why it wouldn't do because they were comparing a lot of people like public bodies.

Lord Lever: You don't have to tell me about this.

Prime Minister: I know. Now there's a new chap who someone said was quite good. We thought we ought to have a small businessman in. Now he might be lightweight - I don't know who he is - but someone has recommended him a chap called James Ackers, totally unknown.

Lord Lever: The one I know of the small businessmen is a man called Brian Kingham and he struck me as being a very intelligent chap. But you will know more about this now than I recall. You've got a civil servant called Walter Ulrich who is a Deputy Secretary in the . .

Prime Minister: Scottish Office now.

Lord Lever: Is he Scottish Office.

Prime Minister: He used to be in . . .

Lord Lever: . . . Education. Oh you have banished him to Siberia, poor Walter.

Prime Minister: Well my dear I was in Education that's why I know the name.

Lord Lever: Ah well he's a very able man and if you have a word with him he's quite shrewd on that - I mean he's an able and abrasive man and I was able to get the benefit of his ability and I accept quite readily his abrasiveness now.

Prime Minister: I like them abrasive - they've got some personality. And then the economist I thought Christopher Foster is very good. He is Coopers and Lybrand and he is quite abrasive and I believe in one or two abrasive people.

Lord Lever: Well you have got a very strong Committee together.

<u>Prime Minister</u>: Yes and then we're asking and I just hope he will do it, Gavin Laird, the trade unionist, he's AUEW, he's a Scot and also a trade union member.

Lord Lever: Well I hope he'll come on.

Prime Minister: So do I because I've got more faith in him, apart from Frank Chapple and we can't use him.

Lord Lever: He's very very good but he's type-cast now of course.

<u>Prime Minister</u>: I'm afraid so that's the trouble and it doesn't do him any good you see. Anyway those are the ones who are being asked this weekend and I was asking you and the others are being done, as it were, by someone else.

Lord Lever: Well I will accept.

Prime Minister: Well I will get them to write formally.

Lord Lever: And I will write back formally.

Prime Minister: Harold we must meet again soon.

Lord Lever: I look forward to it.

<u>Prime Minister</u>: All right. And your cold is sounding better, even since the beginning of the conversation. Bless you. Thank you very much. Goodbye.