

10 DOWNING STREET

From the Private Secretary

cc HO FCO -HMT DES NIOV MOD / MAFF DOE -DOI DOT DTRANS -CS, HMT CDLO 12 October 1981 DM PGO~ SO WO -COV CPRS /

Dear Julian,

## Miners' Pay

The Prime Minister has seen and noted your Secretary of State's letter of 8 October to the Chancellor of the Exchequer; and the Chancellor's reply, also of 8 October.

The Prime Minister has expressed doubts about the wisdom of the proposal that a settlement should be presented as more generous than it really is. She has noted that this will have to be examined very carefully when the outcome of the negotiations is known.

I am sending copies of this letter to the Private Secretaries to the members of E Committee, the Secretaries of State for Scotland and Wales, and to David Wright and Mr. Ibbs.

Yours sinurely,
Michael Scholan

J. D. West, Esq., Department of Energy.