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PRIME MINISTER

DISPERSAL OF THE HEALTH AND SAFETY EXECUTIVE

I have spoken to the Secretary of State about his minute to you of 15 October. He is adamant that moving all of HSE to Bootle means a major row - far worse than he had feared originally - with both the CBI and the TUC.

I do not underestimate the difficulties he faces but we are committed by our collective decision to move about 2000 posts to Bootle. 1600 must be the very minimum if we are to have any credibility and I only went as low as that to avoid splitting several departments. If the HSE contribution of 1200 posts now stands to be reduced by perhaps 400 or more following the proposed joint review we shall have to find the shortfall from elsewhere. From our earlier discussions with departments I know that the other real candidates for dispersal claim that it would cause them equal difficulties and damage.

As to the Nuclear Installations Inspectorate I am not of course in a position to offer professional advice. No doubt some of the staff would leave but it seems highly probable that they would have to move to the provinces to find work. I doubt it will be as bad as the unions have claimed; indeed threats by the staff to advertise their services in national newspapers have, I understand, now been dropped.

There have already been leaks since we reached our decision at Cabinet on 4 October and the delay in announcing what we are going to do inevitably creates unhealthy speculation and uncertainty amongst the staff, and in Bootle too. I think we must now make a final decision and announce it as soon as possible. If you find Jim Prior's arguments compelling we shall have to overturn the Cabinet decision. I then see little alternative to PSA being directed to send an extra 100 posts to Bootle and MAFF 500.

I am copying this to Jim Prior and to the other members of Cabinet, including the Minister of Transport, and to Sir John Hunt.

A large, stylized handwritten signature, likely 'S', written in dark ink.

SOAMES
19 October 1979

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