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From the Private Secretary

1 April 1982

## MONITORING REPORT: PUBLIC TRADING SECTOR

The Prime Minister was grateful for the Chancellor's minute of 26 March to which was attached the latest monitoring report on the public trading sector.

The Prime Minister considers that the advance notification of some of these pay settlements is disturbingly haphazard. She asks whether the Industry Secretary has seen the Chairman of British Shipbuilders about the high settlement which is in prospect there. She has also commented that in both the gas and electricity supply industries any further increase in the offers already made would be very disquieting.

I am sending copies of this letter to John Halliday (Home Office), David Edmonds (Department of the Environment), Jonathan Spencer (Department of Industry), John Rhodes (Department of Trade), Anthony Mayer (Department of Transport), Julian West (Department of Energy), Barnaby Shaw (Department of Employment), David Wright (Cabinet Office) and Gerry Spence (CPRS).

MS

John Kerr, Esq., HM Treasury.

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