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cf SV
Prime Minister (2)

I have already recorded

your decision in the same

sense as para 3 below

HLS 1/6

MO 20/17/6

PRIME MINISTER

CIVIL SERVICE PAY: IMPROVEMENTS IN OTHER CONDITIONS OF SERVICE

I have seen a copy of the Chancellor of the Exchequer's minute to you of 26th May.

LPM

2. I agree with his recommendations in paragraphs 2b to 2d.
3. On paragraph 2a, I wonder if the Chancellor's recommendation is consistent with our philosophy. These allowances are designed to recognise extra skill and extra responsibilities and we were in favour of a pay settlement which discriminated in favour of special contributions. The money is not great and I do suggest that in this instance we ought to think carefully whether a wide range of staff from typists to private secretaries should be given the impression that we have deliberately been cheese-paring towards them. I would favour paying the full 5.9% for these special allowances, and asking Departments to absorb the extra £0.4M costs.
4. I am copying this minute to other members of the Cabinet and to Sir Robert Armstrong.

Ministry of Defence
1st June 1982

SV

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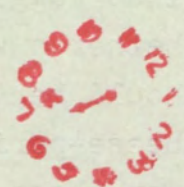
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