



CONFIDENTIAL

CC/BG

P 02131

From: J B UNWIN
25 June 1986

Prime Minister &

MR NORSGROVE

*Delivered
25/6*

Ready to go

TEACHERS' PAY

At the MISC 122 meeting last week I said, in response to a point raised by the Prime Minister, that I believed the ACAS people and those on the Scottish Inquiry were in touch.

2. You may like to know that I have confirmed informally that there is in fact very close contact between the two Secretariats. Each has arranged to let the other see submissions going to them; and Sir John Wood and Sir Peter Main have agreed to avoid any "unpremeditated divergencies" in their reports. Sir Peter Main has, however, so far been unwilling to have a personal meeting with Sir John Wood; despite the informal contacts, he wishes to remain to be seen as fully independent.

3. The DES are well advanced in preparing papers on a Review Body/Standing Advisory Committee and on greater use of specific grants, and I hope that we shall be able to circulate these for this weekend prior to the next MISC 122 meeting on Wednesday (2 July). The Scottish Secretary and the Treasury may also decide to circulate papers, supporting and opposing Mr Baker's proposals respectively.

J B UNWIN

Cabinet Office

