SURJECT CONFIDENTIAL ce Maris 10 DOWNING STREET From the Private Secretary 31 August 1983 Dear Mary The Prime Minister saw Lord Gowrie today to discuss his submission of 8 August proposing a direct entry Principal competition to recruit about thirty Principals. The Prime Minister said that her concern over this proposal arose from a possibility that the existing staff of the Service, many of whom were of very high calibre, would regard such a competition as yet another reduction in their promotion prospects. The Government had quite rightly reduced the size of the Civil Service but at the same time had an obligation to do everything possible to ensure that talent was rewarded. Lord Gowrie recognised this difficulty but said that there were a number of posts in the Civil Service in which the kind of people recruited through direct entry Principal competitions could make a real contribution. A limited number of recruits for such posts would not damage the career prospects either of the main stream or of highflyers. A gap existed for a small number of mature or specialised staff; the proposed competition was designed solely to fill that gap. The Prime Minister said that she was prepared to agree to a direct entry Principal competition provided it was made clear that the purpose of the competition was to seek a particular kind of experience which was likely to have been gained in industrial or commercial managerial posts. The MPO should make every effort to explain to staff that the competition was designed to fill a particular gap. She would wish to review the experience of this year's competition before agreeing to any future competitions. TIM FLESHER Mrs Mary Brown Office of the Minister for the Arts.

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