



10 DOWNING STREET

From the Private Secretary

Prime Minister

The purpose of the CBI visit is to show you their pay presentation and not to engage in a substantive discussion of the pay scene. But you could raise the following points.

(i) Is Vauxhall settlement likely to influence other settlements?

(ii) Private sector now clearly leading public sector (as it should be when former is expanding, latter contracting) but if gap is too great, difficult to hold line in public sector

(iii) Need to ensure companies don't fritter away increased profits (up 25 per cent on a year ago) on wage increases.

AT
5/10

MR. INGHAM

cc Mr. Butler ✓
Mr. Turnbull ✓
Duty Clerks

CBI Pay Presentation

I had a word with Sir Terence Beckett this afternoon about the CBI's pay presentation to the Prime Minister next week.

Sir Terence readily agreed with me that it would be advantageous on all sides to keep the fact of the meeting confidential. He believed that from the CBI's point of view it would be counter-productive for them to be seen to be too close to the Government; and I thought that a public meeting with the CBI on pay might well stimulate an awkward request from the TUC for a similar meeting. Sir Terence Beckett, Sir Campbell Fraser, and Mr. Shiel (the projectionist) will, therefore, enter through the Cabinet Office door, and I would be grateful if the Duty Clerks would make the necessary arrangements.

M. C. SCHOLAR

30 September 1983



10 DOWNING STREET

Prime Minister

Sir Terence Beckett and Sir Campbell Fraser are coming to give you the CBI's pay presentation. This is a slide show, lasting about 20 mins, which the CBI ~~are~~ put on at the start of the wage round for their member companies. It has been seen by other Govt Ministers.

It has been agreed that there will be no publicity. Sir Terence and Sir Campbell will come in via Cabinet Office

AT
4/10

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Director-General
Sir Terence Beckett CBE

Secretary
Denis Jackson



Tim Pasher o/r

To note

29th September, 1983

Dear Mr. Scholar, *3/10*

I am writing to confirm arrangements for the Pay and Productivity Presentation to the Prime Minister on Wednesday, 5th October, at 3.45 p.m. at 10 Downing Street.

The President, Sir Campbell Fraser, and the Director-General, Sir Terence Beckett will be making the presentation. The equipment will be operated by Andrew Cheall of the CBI's Information Directorate. I have asked Mr. Cheall to contact your office to make the necessary arrangements for setting up the equipment.

Yours sincerely,

Hinda Tunes.

(Personal Assistant to
the Director-General)

Michael Scholar Esq.,
Private Secretary to the Prime Minister,
10 Downing Street,
London, S.W. 1.

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CBI P+3

SEP 1983

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10 DOWNING STREET

Now arranged
for Wed
5/10
at 1545

(4)

Prime Minister

Sir Terence Beckett rang
to ask if you could fit in
1/2 hour to see the CBI's pay
presentation, which he, Campbell
Fraser plus 2 would bring here
for you - perhaps before the
Party Conference.

Do you wish to see this?

Yes - if there is time
= MLS 22/9 not