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Treasury Chambers, Parliament Street, SW1P 3AG
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PRIME MINISTER

THE 1983 NON-INDUSTRIAL CIVIL SERVICE PAY NEGOTIATIONS:
ATTITUDINAL SURVEY

In my minute of 4 February reporting the outcome of discussions in the Ministerial Group on Civil Service Pay Negotiations (MISC 66), I mentioned that the Group had recognised that it might prove useful at some stage to have a reasonably accurate indication of the views of staff about a particular pay offer. This might be achieved by taking some form of opinion poll sample of staff.

2. We have done some further work on this within the Treasury. What we have in mind is a general survey on pay and conditions of work which would reveal the size of offer staff are likely to regard as reasonable. Employee surveys of this kind are not unknown; indeed, they can be described as part of modern management practice. That said, there is advantage in keeping the fact confidential while the survey itself is being conducted. Otherwise, there is a danger that answers will be framed with a view to influencing the employers' offer.

3. Opinion Research and Communication are a firm with experience in this area. They have conducted surveys of employee attitudes for British Steel and British Rail, as well as for firms in the private sector. Barney Hayhoe has established that they could do a survey of the kind we have in mind, for under £20,000. They would sample around 500 civil servants.

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4. I believe that it would be useful to go ahead with such a survey, and to do so as soon as possible. Ideally we would want to have the results within the next 2-3 weeks so that they can, if necessary, influence our tactics during negotiations. There is always a risk that the commissioning of the survey will become known, however carefully it is handled, but if so, we should have no difficulty in justifying our position. I believe that Ian MacGregor found the results of his survey (which was not on pay as such, but on the merits of central versus local pay bargaining) so useful that he eventually published it. The fact that British Steel was conducting such a survey did become known before the exercise was completed, but this seems to have been no particular disadvantage.

5. I would, of course, inform MISC 66 of the results of the survey.

6. I am copying this minute to Norman Tebbit and Janet Young, as well as to Barney Hayhoe.

(G.H.)

8 March 1983

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Civil Service
Pam. 13



19 MAR 1953



CONFIDENTIAL



cc D/EMP
LPS
Hayhoe, HMT

bcc John Vereker

10 DOWNING STREET

From the Private Secretary

10 March 1983

The 1983 Non-Industrial Civil Service Pay Negotiations: Attitudinal Survey

The Prime Minister has seen the Chancellor's minute of 8 March about the proposed attitudinal survey of civil servants on pay and conditions at work.

The Prime Minister thinks that this would be the wrong moment to commission such a survey, because of the danger of a leak and the fact that the Government's actions are unlikely to be influenced by what the survey reveals. The Prime Minister agrees, however, in general terms that it is desirable to monitor in a systematic way Civil Service attitudes to pay and conditions, and that consideration should be given to doing this after this year's pay settlement.

I am sending copies of this letter to Barnaby Shaw (Department of Employment), Mary Brown (Lord Privy Seal's Office) and Harry Bush (Mr. Hayhoe's Office).

MICHAEL SCHOLAR

Miss Margaret O'Mara,
H.M. Treasury.

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Prime Minister ①

MR SCHOLAR

Agree to X ?

MUS 9/3

Yhs nt

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PROPOSED ATTITUDINAL SURVEY OF CIVIL SERVANTSsee his
minute
attached.

I am quite sure that the Prime Minister should not agree to the Chancellor's proposal for a survey within the next two or three weeks of Civil Service attitudes, designed to "reveal the size of (pay) offer staff are likely to regard as reasonable".

This suggestion originates with Mr Tebbit, who put it forward in MISC 66. It is of course part of good management practice, and something the Government would like to encourage in other public sector employers, to have some reasonably systematic way of knowing what employees are feeling on a wide range of issues.

But that is a far cry from the Chancellor's proposal. What is suggested is a one-off covert survey of 500 civil servants, specifically directed at pay, and executed at the period of maximum interest in the annual pay settlement.

Such a proposal has two massive disadvantages:

(i) It is very likely to become known - some of the 500 are almost bound to be active union members who will draw the questionnaire to the attention of local branches, who will demand an explanation - and when it does the Government will be in a difficult position. If it declines to release the results, it will be accused of covering up bad news. If it does release the results, it will be highly embarrassed by the figures, since it is inconceivable that even this small sample of civil servants will show that they regard as a reasonable offer the amount that has already been authorised by MISC 66;

(ii) The survey can serve no conceivable purpose. It is not as if we are uncertain about the level at which we wish to pitch this year's pay offer - that decision has already been taken. What is the point of finding out too late that civil servants want more than they are going

to get? I am sure that the pay side of the Treasury does not intend to use the evidence of the survey as an argument for a higher pay offer, but the temptation to do so will be strong.

x I suggest that, if the Prime Minister agrees, you could reply to the Chancellor's office saying that the Prime Minister thinks that this is entirely the wrong moment to commission such a survey, because of the danger of a leak and the fact that our actions are unlikely to be influenced by what the survey reveals; but that the Prime Minister agrees that in general it is desirable to monitor in a systematic way Civil Service attitudes to pay and conditions, and that consideration should be given to doing this after this year's pay settlement.



9 March 1983