



Broadcast₂

Prime Minister
ms 13/4

FCS/83/75

CHIEF SECRETARY TO THE TREASURY

BBC External Services' Pay

1. Thank you for your letter of 22 March. I have also seen the Home Secretary's letter to you of 10 April. *will request it reviewed*
2. I have no doubt that we need soon a meeting involving myself, you and the Home Secretary to discuss the principle involved in this unique situation. My office will be in touch with yours to try to arrange this. Our officials should certainly meet afterwards to discuss follow-up, eg a possible review by the Comptroller and Auditor-General or independent consultants. But our paper made clear this was only to be an added form of control to ensure against abuse once we had agreed to treat the External Services as a special case. This is a political point requiring a long-term solution in view of the cumulative effect of each year's pay shortfall. To treat it ad hoc in every Public Expenditure Survey would inevitably lead to annual rows in Parliament.
3. I am copying this to the Prime Minister, the Home Secretary and the Defence Secretary.

7/1

Foreign and Commonwealth Office
13 April 1983

13 APR 1983

