

Redmond

Lee J.V. Wm W/m

APPOINTMENTS IN CONFIDENCE



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

The Rt Hon Nigel Lawson MP
Secretary of State for Energy
Thames House South
Millbank
LONDON
SW1P 4QJ

25 November 1982

Nigel

NCB BOARD SALARIES

Thank you for your letter of 18 November. I agree with your proposals for increasing NCB board salaries. As with your other boards, I should be grateful if your officials could consult mine if there is any possibility that the increases may be announced publicly.

Copies of this letter go to the other recipients of yours.

GEOFFREY HOWE

Geoffrey Howe

NAT IND : BOARD SALARIES PTZ.



26

cc J.V.

SECRETARY OF STATE FOR ENERGY
THAMES HOUSE SOUTH
MILLBANK LONDON SW1P 4QJ

Prime Minister ①

01 211 6402

Agree, subject to
colleagues?

APPOINTMENTS IN CONFIDENCE

The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
Treasury Chambers
London
SW1

Told
Energy
MUS 23/11

MUS 18/11

Bth November 1982

Yes no

Stan Giff

NCB: BOARD SALARIES

I received proposals from the Chairman and part-time Members of the National Coal Board (NCB) for increases in Board pay in the summer. Although the 'due date' for any increase was 1 April 1982, I have deliberately delayed dealing with these proposals until the miners' pay negotiations were completed.

The NCB have sought to put forward proposals that would not embarrass the Government. They suggest an increase of 10% from 1 April 1982 and a further 5% from 1 November 1982. The purpose of this is to postpone next year's increase until 1 November 1983, thus bringing the "due date" for adjustments in Board pay in line with that for the miners. (This, you will remember, was one of our original aims in introducing the new arrangements.) The increase in salary rates would be 15.5% in respect of 19 months, equivalent to 10% at an annual rate, which is well within the range agreed in July. The present and proposed rates of pay are set out in the annex to this letter.

I would like to accept these recommendations. Siddall and his two deputies will come to the end of their terms of office by the end of 1983, and I am also considering whether further changes in the Board are needed. The proposed rates are still well below market levels and are the least which we shall need to attract onto the Board the reinforcements which it needs.

There is a further consideration to which I also attach weight. Siddall and his team have successfully carried through the pay negotiations to a satisfactory conclusion. We should not under-estimate the difficulty of this task or the judgement and nerve required. Their performance deserves recognition.

I should be grateful for your agreement to these proposals.



I am sending copies of this letter to the Prime Minister, other Members of E(NI), and to Sir Robert Armstrong.

*Yours
Nigel*

NIGEL LAWSON

APPOINTMENTS-IN-CONFIDENCEPRESENT AND PROPOSED RATES OF PAY FOR NCB CHAIRMAN AND FULL-TIME MEMBERS

	<u>Current Rate</u>	<u>Rate proposed by Board from 1 Nov. 1982</u>	<u>£ Current Rates + 10%</u>
Chairman	51360	59325	56496
Deputy Chairman	34240 - 43335	39550 - 50055	39664 - 47669
Full-time Members (mid point of range)(31435)	27820 - 35045	32130 - 40480 (36305)	30602 - 38550 (34575)

COAL 1

12 November 1982

Next Ind: Prod Sales
Pt 2

11 8 NOV 1982

11 8 NOV 1982