



Treasury Chambers, Parliament Street, SW1P 3AG
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PRIME MINISTER

THE AFPRB REPORT

As you know we now have the three Review Body reports: that of the AFPRB recommending increases costing 6.1 per cent of the Services' wage bill; that of the DDRB recommending increases of 9 per cent (including 3 per cent "catch-up" from last year); and that of the TSRB recommending increases of 13 per cent for the senior Civil Service and senior officers of the Armed Forces and 20 per cent for the Judiciary over their 1980 recommendations. The increases in salaries currently in payment would of course be rather greater.

2. We had already agreed that the sensible thing to do with these reports and the award of the Civil Service Arbitration Tribunal would be to consider them together in the last week of April. But the Civil Service Arbitration Tribunal is sitting on Monday and possibly Tuesday of next week and hopes to come to a quick decision thereafter. In this situation an argument could be mounted for dealing with the AFPRB report quickly so that our decision could be published in time to influence the Tribunal's findings. For the same reason of course publication of the other reports would have to be held back.

3. There is a prize to be had in possibly exercising a moderating influence on the CSAT. But the device would be transparent and we would be open to criticism as seeking unfairly to influence the Tribunal. We would also no doubt come under pressure for the early publication of the other two reports. And it might in any case be felt inappropriate to

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publish a relatively low pay award for the Armed Forces - which would increase charges for food and accommodation with in some cases reduced take-home pay - at a time when they may be just about to go into action in the South Atlantic.

4. If we were to decide to publish on Monday or Tuesday we would need a very early decision if printing (or the production of an adequate number of roneoed copies for the House and the press) were to be completed in time.

5. My own view, on balance, is that we should not rush into early and separate decisions on the AFPRB report.

6. I am copying this letter to John Nott, Norman Tebbit and Robert Armstrong.

G.H.

16 April 1982

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MINISTRY OF DEFENCE
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16th April 1982

Dear Michael,

THE AFPRB REPORT

We spoke on the telephone about the Chancellor's minute to the Prime Minister of the 16th April. I have now consulted the Secretary of State and I can confirm that he would not wish the publication of the AFPRB report to be rushed through in order to influence the Civil Service Arbitration Tribunal's deliberations. Such a manoeuvre would be extremely badly received by the Armed Forces at a time when, as the Chancellor points out, our task force is sailing towards the Falkland Islands.

I am copying this to Barnaby Shaw (Dept of Employment) and David Wright (Cabinet Office)

Yours ever,

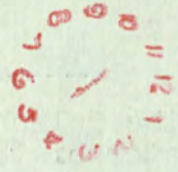
Mich Evans.

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