

Prime Minister ①

Please see Sir Keith Joseph's letter (attached).

MR SCHOLAR

cc Mr Mount

Yes Agree Sir Keith's proposal at para 4 of his letter?

TEACHERS' PAY

Mis 9/2

If the Secretary of State's representative on the management panel of the Burnham Committee had an effective veto, I should certainly argue that it should be used below 4½%: teachers ought on recruitment and retention grounds get less than the NHS this round, and the NHS settlement was supposed to be exceptional anyway. And 4½% will make it much harder to settle for less with the Civil Servants.

But the uncomfortable fact is that, confronted with a veto at too low a level, the panel will simply vote for arbitration (as it did last year) - which our representative cannot block. So I think Sir Keith Joseph's recommendations in paragraphs 3 and 4 are right.

I suggest that there is no need for the Prime Minister to intervene in this correspondence: I think the Chancellor is likely to accept the proposals.

sk:

mt

9 February 1983



10 DOWNING STREET

①

Prime Minister

I am not sure whether  
you agreed to Sir K Joseph's  
proposal at para 4 of his  
letter?

Yes

no

MCS 10/2



CONFIDENTIAL

JWP

bc J. Verke



E(PSP)

HMT, LPO, DEW, DHS,  
CS-HMT, CDL, DEWP, CO

10 DOWNING STREET

From the Private Secretary

11 February 1983

TEACHERS' PAY

The Prime Minister has seen a copy of your Secretary of State's letter of 9 February to the Chancellor of the Exchequer about the teachers' pay negotiations for 1983.

The Prime Minister agrees with the line which your Secretary of State is proposing to follow.

I am sending copies of this letter to the Private Secretaries to the other Members of E(PSP) and the Secretaries of State for Scotland and Wales and to Richard Hatfield (Cabinet Office).

M. C. SCHOLAR

Mrs. Imogen Wilde,  
Department of Education and Science.

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