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DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH

TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Andrew Turnbull Esq
Private Secretary
10 Downing Street
London SW1

CONFIDENTIAL

10 June 1985

Dear Andrew,

TEACHERS' PAY

Thank you for your letter of 21st May recording the outcome of the Prime Minister's second meeting on this subject on 20th May. Alan Davis copied to me his letter to you of 23rd May recording his Secretary of State's understanding of how additional resources for teachers' pay might be treated in relation to the Government's plans for total local authority expenditure in 1986-87.

My Secretary of State thought that the record of the meeting was clear on the main points and he shares Mr Jenkin's understanding as recorded in Alan's letter. In particular, your letter made plain that the Government would not wish to adjust the totals for local authority expenditure until the position on teachers' pay and conditions was clearer, but that, if an agreement was reached, an appropriate adjustment to the aggregates would be made.

Copies of this letter go to Rachel Lomax (HM Treasury), Alan Davis (DOE), David Normington (D/Emp), John Graham (Scottish Office), Neil Ward (NIO), Colin Williams (Welsh Office), Henry Steel (Law Officers' Department) and John Wiggins (Cabinet Office).

Yours,

Elizabeth

MISS C E HODKINSON
Private Secretary

EDUCATION: Teacher's Pay Pt 4

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