

PRIME MINISTER

SALARY LEVELS OF IBA AND BBC MEMBERS

Earlier in the year the Home Secretary agreed with the Treasury a package involving a major increase in the salaries of members of the BBC and IBA. The total package was 20 per cent plus 5 per cent to reflect this year's TSRB award. The rationale for the 20 per cent was a major catching up exercise to offset a big real drop in the salaries during the 1970s.

The increases were not announced, however, when the package was agreed because of the BBC industrial pay dispute. And, although that was settled in September, the BBC apparently suggested it was best to wait a further two months before announcing increases in Governors' pay.

The attached letter from the Home Office indicates that the Home Secretary would like to make an announcement on Monday. He had already been planning an early announcement in advance of the introduction of the Broadcasting Bill. But the issue has been brought to a head because Robin Corbett has put down a Priority Written Question for Monday. So the issue is whether to give Corbett a holding reply or use the opportunity of his question to make an announcement.

But the Home Secretary is anxious to know whether you think Monday would be an appropriate time for the announcement.

Content for him to go ahead as proposed?

PLG.

PAUL GRAY

24 November 1989

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I am very unhappy  
about the actual decision  
Most of these positions are  
not meant to be remunerated  
by high salaries. Is there any  
possibility of reviewing them?  
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