



10 DOWNING STREET

26 June, 1981

THE PRIME MINISTER

Mr. J. R. R.

Thank you for your letter of 13 June. I am afraid that a very full diary prevents me from being able to meet you and your colleagues. However, I do not think that I could add very much to what has already been said to the profession's representatives about the issues which you raise.

You ask whether the scales recommended by the Review Body could be implemented from some later date so as to keep within cash limits. As you will know, the Chairman of Council put this same point to me at my meeting with him, and I explained then why it would not be possible. I understand that the subject was also discussed in some detail at the meeting between Patrick Jenkin and the professions on 3 June. Staging or delaying pay awards has given rise to serious problems in recent years, and these devices were strongly criticised by the Select Committee on the Treasury and the Civil Service. In his response, the Chancellor of the Exchequer gave an undertaking that phasing would not be used to reconcile public service pay settlements with cash limits. In view of this, I do not feel further discussion of this point would be helpful. If there are other detailed points about this year's pay settlement which you would like to raise, this can probably best be done through the normal negotiating machinery.

I fully understand your Conference's anxiety about next year's Review Body award. As I have said, we are very conscious that we will need to find a more appropriate way of reconciling cash limits with the Review Body system. This is not only a matter of concern to junior doctors of course, but one affecting all members of the

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medical and dental professions as well as those groups covered by the other Review Bodies. In fact, consideration of possible approaches will have to be in the wider context of public sector pay generally. A great deal of ground clearing will thus be necessary before it is sensible for Ministers to get involved in discussions with individual groups. I know Patrick Jenkin is very aware of the particular problems of junior doctors, but if there are any points - apart from those you have already made in your letters to me - which you feel should be kept in mind, perhaps you would like to let him have a note of them.

Yours sincerely

Margaret Thatcher

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10 DOWNING STREET

Prime Minister

This is a further  
letter from the junior doctors,  
which I fear you will  
have to reply to.

They want -

a) DDAB recommendations  
implemented from 1 August  
for junior doctors, no  
increase before then. This  
would amount to staging,  
so has to be resisted.

b) a meeting with  
you. I think we should  
resist this. Resist no

R. 10/6



CF  
Nat Health

## DEPARTMENT OF HEALTH &amp; SOCIAL SECURITY

Alexander Fleming House, Elephant &amp; Castle, London SE1 6BY

Telephone 01-407 5522

*From the Secretary of State for Social Services*Tim Lancaster Esq  
Private Secretary  
No 10 Downing Street

23 June 1981

Dear Tim

You wrote to Don Brereton on 16 June enclosing correspondence the Prime Minister had received from Dr Michael Rees, Chairman of the Hospital Junior Staff Committee.

I now enclose a draft the Prime Minister may wish to send on her reply to Dr Rees.

ENC

Yours ever  
Mary McVerry  
MARY McVERRY (MRS)  
Private Secretary

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FILE

R H

*Rob Rees*

16 June, 1981

BF 24.6.81

I enclose a copy of a letter the Prime Minister has received from Dr Michael Rees, Chairman of the Hospital Junior Staff Committee.

I should be grateful if you could provide us with a draft reply for the Prime Minister to send to Dr Rees stating that she will not be able to meet a small deputation from the Hospital Junior Staff Committee to discuss their pay award. It would be helpful if this could reach us here by Thursday, 25 June.

**L. P. LANKESTER**

CS

D Brereton, Esq  
Department of Health and Social Security

15 June 1981

I am writing on behalf of the Prime Minister to acknowledge your letter of 13 June. This is receiving attention and a reply will be sent to you as soon as possible.

TPL

Dr. Michael Rees

A handwritten signature, possibly 'Sb', in the bottom right corner of the page.



# BRITISH MEDICAL ASSOCIATION

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Your Reference

Our Reference MRR/SJH

13th June, 1981.

*cc Ann Min*

The Rt. Hon. Margaret Thatcher M.P.,  
10 Downing Street,  
London.  
SW1.

Dear Mrs. Thatcher,

Thank you for your letter of 9th June, about the latest report of the Doctors' and Dentists' Review Body.

At its annual meeting today the Conference of Representatives of Junior Hospital Doctors noted the imposition of an award this year within the cash limit of 6% set by the Government. However, it could see no good reason why the award should be implemented by means of a 6% addition to the salary scales from 1st April, as has been proposed by Officials of the Department of Health & Social Security. I have been asked to request that the pay scales as recommended by the Review Body be implemented, so far as hospital junior doctors are concerned, from 1 August, 1981. The total salary increases for this group would thus remain with the 6% limit.

I was pleased to note the importance which the Government attaches to the continuing existence of the independent Review Body, and that you wish to explore ways of introducing greater flexibility in the future. We are greatly concerned about the possibility of interference with Review Body recommendations for next year, and my Committee has today been instructed to review plans for the action it would have to take in the event of any future Government interference.

I would, therefore, be grateful if you would agree to receive a small deputation from my Committee to discuss both the way in which the reduced award is to be implemented this year and the question of the operation of a fair system for reviewing the pay of junior hospital doctors in future.

Yours sincerely,

*Michael R. Rees*

MICHAEL R. REES  
CHAIRMAN HOSPITAL JUNIOR STAFF COMMITTEE