

CONFIDENTIAL



Prime Minister (2)

This was settled without  
argument this year. The increases  
are 9%.

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

AT

6/3

1 March 1985

The Rt Hon Peter Walker MBE MP  
Secretary of State for Energy  
Department of Energy  
Thames House South  
Millbank  
LONDON SW1

*John Peter*

*mt*

**BOARD PAY 1984: ELECTRICITY COUNCIL: CEGB  
AND BRITISH GAS CORPORATION CHAIRMEN**

You wrote to me on 21 February about the 1984 salaries for the Chairmen of the Electricity Council, Central Electricity Generating Board and the British Gas Corporation.

I am content with the salary of £66,500 you propose from 1 April 1984 for Philip Jones, Walter Marshall and Denis Rooke.

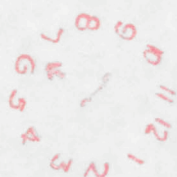
I am copying this letter to the Prime Minister, the other members of E(NI) and to Sir Robert Armstrong.

*Nigel Lawson*

NIGEL LAWSON



NAT IND: Board Salaries: Pt 3.



- 6 MAR 1985



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01 211 6402

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
Treasury Chambers  
Parliament Street  
LONDON  
SW1P 3AG

21 February 1985

*Nigel*

ELECTRICITY COUNCIL, CEGB AND BGC CHAIRMEN'S SALARIES

I am grateful to you for your acceptance, in your letter of 15 February, of my proposals for the 1984 pay increases for Board Members in the electricity and gas industries.

As regards the three Chairmen, I accept your view that their increases should be no greater than 9%. I have therefore decided that the correct course would be to offer the Chairmen the same percentage increase as agreed for Board Members, which slightly rounded up amounts to a salary of £66,500 per annum in each case.

Your other caveat concerned the reflection of individual performance. Most of the Board Members in these two industries are on salary ranges. Progression through the ranges depends upon performance. The Chairmen make recommendations to my Department (after consultation when appropriate with part-time Board Members) and I am sure that that is the best way of ensuring, in normal circumstances, that individual performance is suitably recognised.

I will be giving further consideration to your comments on Gil Blackman and Bill Jewers and will, if necessary, write to you again shortly.

Finally, I share your concern about the 1985/86 pay negotiations in these industries; I shall reflect that concern in arranging for the industries to be informed, in a low key way, of the 1984/85 increases for Board Members we have now agreed.

I am copying this letter to the Prime Minister, to other members of E(NI) and to Sir Robert Armstrong.

*Peter Walker*

PETER WALKER

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NAT. IND: Board Salaries: Pt 3.

21 FEB 1985

