

*Chancellor of the Duchy of Lancaster*

PRIME MINISTER

NEW TECHNOLOGY AGREEMENT FOR THE CIVIL SERVICE

In discussion of my paper at E this week, I was invited to report back on 3 points. I now do so.

My officials have consulted others in the relevant Departments and advise that a 3 year agreement would be possible without causing additional problems: there will be virtually no need for redundancies in the third year. However, it would probably be easier to negotiate a 2 year agreement with the unions and I would prefer to be left with flexibility on this.

We also discussed an additional sentence for the paragraph 9 formula in E(82)4. This could read:

"This expectation and intention are limited to the [2/3] years covered by this agreement, and do not constitute any precedent beyond that time."

Direct repercussions are unlikely in the industrial Civil Service and there should not be any particular industrial relations difficulties here.

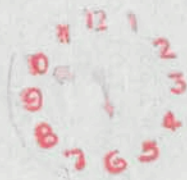
With the resolution of these points, I am anxious that negotiations should resume at once. I should like to see this issue settled and out of the way well before the unions' annual conferences. That means the timetable is very tight. I hope colleagues will be able to confirm by Monday of next week that I can proceed on these lines.

I am copying this letter to members of E Committee, the Secretaries of State for Scotland and Social Services, the Chief Whip (Commons), Mr Ibbs (CPRS) and to Sir Robert Armstrong.

Janet Young

BARONESS YOUNG
5 February 1982

4 FEB 1982



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PRIME MINISTER

NEW TECHNOLOGY AGREEMENT FOR THE CIVIL SERVICE

In her minute below Lady Young reports back on the three remits she received at E earlier this week when the Committee discussed the proposed new technology agreement for the Civil Service.

The complete paragraph with the additional sentence would now read as follows:

"A number of jobs will be lost as a result of the introduction of new technology, but during the currency of the agreement it will be possible to reabsorb the staff concerned in other jobs through redeployment and as a result of normal wastage, and it is the expectation and intention of the Official Side that there should not be any recourse to compulsory redundancies on this account during the period covered by this agreement. This expectation [and intention] are limited to the [2/3] years covered by this agreement, and do not constitute any precedent beyond that time."

✓ Lady Young says that a 3-year agreement would be possible but that she would like negotiating flexibility between 2 and 3 years.

Finally, she says that direct repercussions in the industrial civil service are unlikely.

The Cabinet Office had thought before the arrival of Lady Young's minute that we would dispose of her three remits at a meeting of E which is planned, for other reasons, for Tuesday of next week. If you are not happy with her answers on the three points, you might wish to discuss them at that meeting. But if you are content, we could dispose of the matter in correspondence. What would you like to do?

AWW.

4 February 1982

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File

Civil Service
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10 DOWNING STREET

From the Principal Private Secretary

5 February 1982

ccs 'E'
SO
8753
CWO
CO
CPRS

See Jim,

NEW TECHNOLOGY AGREEMENT FOR THE CIVIL SERVICE

The Prime Minister has seen Lady Young's minute of 5 February 1982 on the proposed new technology agreement for the Civil Service.

She is content with the additional sentence to be added at the end of the formula in paragraph nine of E(82)4. She would, however, like to see the word "therefore" inserted before "the expectation and intention" in the first sentence of the formula, so that it would now read:-

" ... through redeployment and as a result of normal wastage, and it is therefore the expectation and intention of the Official Side ...".

The Prime Minister was glad to learn that it would be possible to have an agreement lasting three years without creating any problems. She thinks that it should be our aim to secure an agreement lasting that long but she would not regard it as a sticking point in the negotiations with the unions and she would be prepared to accept a two year agreement, if we had to fall back to that.

The Prime Minister has noted that it is not expected that the agreement will have any direct repercussions in the industrial Civil Service.

Subject to the views of other colleagues, Mrs Thatcher is accordingly content for Lady Young to proceed with the negotiations with the unions as quickly as possible. If the responses to her minute reveal any obstacles, the Prime Minister would propose to deal with them at the meeting of E which has been arranged for Tuesday 9 February.

I am sending copies of this letter to the Private Secretaries to the members of E, to the Secretaries of State for Scotland and the Social Services and to the Chief Whip. Copies also go to David Wright (Cabinet Office) and Gerry Spence (CPRS).

Yours etc,

Alvin Whinnor.

Jim Buckley Esq.,
Chancellor of the Duchy of Lancaster's Office.

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✓ AD
Civil Service

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Secretary of State for Industry

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9 February 1982

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Chancellor of the Duchy
of Lancaster
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Dear Janet,

NEW TECHNOLOGY AGREEMENT FOR THE CIVIL SERVICE

I have seen your minute to the Prime Minister of 5 February. I am content with all you propose. I fully agree with you that there is everything to be said for settling this matter quickly.

I am copying this to the recipients of your minute.

Yours
Patrice

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