



Prime Minister

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SECRET

Mr Silkin called on John Biffen today, to say that their

only point on MP's pay was - for the time being - that there should be some

"hopeful aspiration" about severance arrangements applying to present Members.

Review Body Reports 1983
(C(83)14)

John Biffen therefore wants to add some words to the end of the statement. Please see the last page of the

A083 / 1310

PRIME MINISTER

BACKGROUND

The background is set out in the paper (C(83)14) which you authorised me to circulate recording the conclusions reached at the informal meeting under your chairmanship last Thursday 5 May.

MLS 9/5

MAIN ISSUES

2. The main issues are:

i. whether the three "non-Parliamentary" review body reports should be handled as proposed, ie:

- AFPRB - implemented in full from 1 April 1983
- DDRB, and TSRB on higher civil service, senior officers and judiciary - the proposed annual increase to be implemented from 1 April 1983, the abatement to be restored from 1 January 1984;

ii. whether the report on the pay of MPs and Ministers should be handled as proposed, ie:

- MPs etc - wide consultations before the Government reaches a conclusion
- Cabinet Ministers - recommended increases not accepted as being far too high;

iii. whether these decisions should be announced by you by written answer on the lines of the draft at Annex B to C(83)14;



SECRET

- iv. the timing of the announcement.
3. The arguments in favour of proceeding as proposed are set out in C(83)14, ie:
- i. that the Government is committed to accepting AFPRB reports and that it is desirable to announce the decision in time to affect May monthly pay;
 - ii. that the DDRB abatement must be restored before the 1984 Report to prevent major trouble with the DDRB, the doctors and dentists, and the nurses who have been promised a similar review body;
 - iii. that the TSRB abatement cannot reasonably be treated differently from the DDRB abatement;
 - iv. that consultation about the report on Parliamentary pay has been sought by the House; that quick decisions on important detailed matters (eg MPs' pensions) could not be taken; and that deferring action on the report until the next Parliament would not be inconsistent with the views of the Select Committee on Members Salaries.

HANDLING

4. You may wish to introduce C(83)14 briefly yourself. The Chancellor of the Exchequer may wish to comment on the reports generally; the Secretary of State for Social Services on the particular problems about the DDRB; and the Lord President on the report on MPs' pay.

CONCLUSIONS

5. You will wish to reach conclusions on:
- i. the proposals in C(83)14;
 - ii. the form and timing of the announcement.

RA

9 May 1983

ROBERT ARMSTRONG