

*PRIME MINISTER*

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CIVIL SERVICE PAY SETTLEMENT: STAGING

*MAP 14/4*

After discussion with the unions on possible staging arrangements for the Civil Service pay settlement, I have decided that the best course is to implement the new pay rates from 7 May. No increases will be paid from 1 April but the full rates will count for pension purposes from that date.

As expected, we are having to impose staging on the unions. They objected most strongly to this breach of the Pay Agreement. They could not agree on which staging arrangements would be least objectionable to them. Several unions, including the CPSA (the largest) found the single stage from 7 May the least objectionable. Others favoured different patterns.

A single stage from 7 May for all grades is the best choice for two main reasons. First, it will resolve the problem at the earliest date. Secondly, it is much the simplest option to administer. Other solutions could have caused serious anomalies and involved much extra work in departments.

As I mentioned in my minute of 2 April, the SCPS and CPSA need to consult their members about the new pay rates offered. Provided that there is no hitch over that, most civil servants should receive the increases with their May salaries. I do not expect to know the outcome of any of the remaining negotiations (mostly Science and P&T grades) before the end of this month. I will report on these as soon as possible.

I am sending copies of this minute to all members of the Cabinet, and to Sir Robert Armstrong.

*P.C. ant.*

PAUL CHANNON

14 April 1980

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