

**CONFIDENTIAL**

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

E(80) 39

2 May 1980

COPY NO 55

CABINET

MINISTERIAL COMMITTEE ON ECONOMIC STRATEGY

REPORT OF THE DOCTORS AND DENTISTS REVIEW BODY

Memorandum by the Minister of State, Civil Service Department

I agree with the Secretary of State for Social Services proposals that we should accept the recommendations of the Tenth Report of the Doctors and Dentists Review Body (DDRB). It is very doubtful whether we could sustain any other course in the face of the bitter opposition we could expect from the two professions. I am, however, concerned that colleagues should be aware of the implications of the decision we take for the forthcoming reports of the Top Salaries Review Body (TSRB).

In the latter half of June the TSRB will be reporting to the Prime Minister on their standing reference groups (judges, senior officers of the Armed Forces, senior civil servants and chairmen and members of the nationalised industry boards); and separately on the pay of Ministers and MPs. There is the same general commitment which applies to the other Review Bodies that the Government will accept TSRB recommendations unless there are clear and compelling reasons for not doing so. But there is no specific prior commitment to accept those in the 1980 Report on the standing reference groups which will include updating the current remuneration of the Groups to the level considered appropriate for 1 April 1980. The standing reference groups will therefore be watching closely what we do about the DDRB recommendations where we decided last year to keep open the question of updating. I am sure that if we accept the recommendations in DDRB 10 we shall find it much more difficult to defend different treatment for the recommendations in the report on the standing reference groups. Equally, if we reject them it would be very difficult not to follow suit with the TSRB groups.

**CONFIDENTIAL**

CONFIDENTIAL

The implications for the Report on the pay of Ministers and MPs are less direct. The Government is publicly committed to accepting the updating of MPs' pay. No commitment of any kind has been given about Ministers' pay. A decision not to accept the DDRB recommendations might be awkward in relation to MPs' pay.

We must also bear in mind the general problem of comparability as a method of public sector pay determination in the next pay round. I do not think, however, that it is feasible or necessary to wait for conclusions on this wider question before deciding what to do about the DDRB recommendations.

P C

Civil Service Department  
Old Admiralty Building  
Whitehall  
LONDON SW1A 2AZ

2 May 1980

2  
CONFIDENTIAL

40

42

44

46

48

50

52

54

56

8