

CONFIDENTIAL
~~BUDGET SECRET~~



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

PRIME MINISTER

THE BUDGET: EFFECT ON CIVIL SERVICE MANPOWER

I thought you would like a brief report of the Budget's effect on Civil Service manpower numbers.

2. The only significant effect arises from the employment and training measures, which are estimated to require some 2,000 extra staff in the MSC - about 1250 for the new training scheme for 16-18 year olds, and about 775 for the Community Programme. These increases will build up gradually, and the full effect will not come through before 1 April 1988. I must emphasise that these are only preliminary estimates, which take no account of offsetting savings in benefit administration and from the abolition of the Young Workers Scheme. We would hope to refine them and pare them down over the coming months.

3. These increases can, on present indications and to the extent to which they cannot be absorbed, be met from the contingency margin, which we increased from 7,500 to 10,000 in the 1984 Survey. There need, therefore, be no increase in the overall plans for the Civil Service which we published in the January Public Expenditure White Paper.

4. There will also be some - very much smaller - increases in the Revenue Departments and DHSS manpower. But I expect



other changes - some increases and some decreases - after the Budget and during the Public Expenditure Survey, and I do not propose any change in the manpower plans for these Departments at present.

5. I am sending copies of this minute to Norman Fowler and Tom King.

N.L.

N.L.

13 March 1985

13 MARCH 1985

A. P.

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14 MAR 1985

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