





## 10 DOWNING STREET

From the Private Secretary

28 September 1984

Der Ridad.

## PUBLIC SERVICE PAY AND EXPENDITURE IN 1985-6

The Prime Minister is content for the Chief Secretary to circulate the paper attached to Paul Pegler's letter to me of 27 September. She agrees that the pay assumption for 1985-6 should be set at 3 per cent.

Your saceds Ander Tunks

(ANDREW TURNBULL)

Richard Broadbent, Esq., HM Treasury.

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