

SECRET

Confidential File

INDUSTRIAL RELATIONS LEGISLATION

INDUSTRIAL
POLICY

THE EMPLOYMENT BILL

STRIKES IN ESSENTIAL SERVICES

Part 1: May 1979

Part 15: May 1989

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
25/5/89							
30/6/89							
11/7/89							
20/7/89							
23.7.89							
28.9.89							
9.3.89							

PART
CLOSED

PRM 19/2743

PART 15. ends:-

D. Gupta to PG 23.8.89.

PART 16. begins:-

SS / Gupta to PM 6/9/89

Copy No. 1 of 18 copies



SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

5803

Telephone 01-273
Telex 915564 Fax 01-273 5821

Secretary of State

38a-b

Prime Minister?

23/8

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1A 2AA

Handwritten mark

23 August 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: WEDNESDAY 23 AUGUST 1989

In my Secretary of State's absence, our Deputy Secretary (Mr Manley) chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the twenty-sixth meeting with the broader remit.

The key points which emerged are recorded below:

(a) London Transport bus engineers had voted on Friday 18 August to accept the 9.1 per cent pay offer;

(b) though the recent major disputes were now over, the Government continued to have an interest in the level of pay settlements, especially but not only in the public sector. Ministers would clearly wish to keep the position under close collective scrutiny. The Employment Department was preparing a paper on the pay scene generally, for discussion at the forthcoming meeting of E(PSP). Meanwhile, the Employment Department stood ready as always to offer information and advice to Departments covering industries in which pay settlements were in prospect;

(c) after the holiday break, the dispute over ambulance drivers' pay would again become prominent. NUPE planned to announce the results of their ballot on industrial action at the TUC Congress in Blackpool on 7 September. There was no doubt that there would



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department - Training Agency
Health and Safety Executive - ACAS



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SECRET AND CMO UNTIL 31 DECEMBER 1989
Secretary of State
for Employment

be a large majority in favour of industrial action. It was significant that the non-striking Association of Professional Ambulance Personnel were also balloting on industrial action;

(d) Post Office counter staff were also balloting on possible action over their pay claim, though the employers had agreed to conciliation under ACAS auspices. However, this was a sector where prolonged industrial action might be less unpalatable than the early concession of an unjustified pay increase.

I am copying this letter to the Lord President, the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary



rbpm

SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 **5803**
Telex 915564 Fax 01-273 5821

37 a

Secretary of State

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1A 2AA

16 August 1989

Dear Paul

INDUSTRIAL DISPUTES : MONITORING MEETING: WEDNESDAY 16 AUGUST 1989

In my Secretary of State's absence, our Deputy Secretary (Mr Manley) chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the twenty-fifth meeting with the broader remit.

The key points which emerged are recorded below:

Docks

(a) 14 shop stewards made redundant at the port of Tilbury were taking the employers to an industrial tribunal claiming unfair dismissal. This was not unexpected by the employers. The hearing would take place on 23 October.

Transport

(a) on the London Underground, the only outstanding issue remained the productivity package which was still the subject of negotiations. It was thought that those members who had taken unofficial action were unlikely to resume their action unless the productivity package negotiations were to run into difficulties.

(b) Department of Transport officials would be conducting a post-mortem on the various disputes to see what lessons could be drawn.



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department · Training Agency
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b

Local Authority Staff

(a) the NALGO dispute had been resolved but at an unfortunately high figure of 8.8 per cent and in the case of lower paid staff at 9.5 per cent. Employers had not been able moreover to achieve the conditions they had been hoping to attach to any settlement. The outcome did not bode well for the forthcoming negotiations over local government manual workers pay. There was concern that manual workers would press for the higher figure of 9.5 per cent. The whole dispute raised questions about the effectiveness of LACSAB and of the national bargaining structure. Department of Environment officials would be reviewing past events with a view to extracting lessons for the handling of future disputes.

Other disputes

(a) Post Office counter staff had announced that they intend to hold a ballot with a view to industrial action over a 7 per cent pay offer. The result was not expected this month.

(b) the CSEU had launched a voluntary levy on all members of one hour's pay each week in order to finance all-out stoppages in selected blue-chip engineering companies in support of their claim for a 35 hour week. Ballots would take place in the companies concerned in early September with industrial action following about a month later.

(c) unions representing ambulance workers including separately the breakaway union the Association of Professional Ambulance Personnel (APAP) were balloting members on a possible overtime ban. The main result would be announced during the TUC conference in early September. The issue was a 6.5 per cent pay offer. Any pay settlement for ambulance workers would inevitably have implications for the rest of the NHS.

I am copying this letter to the Lord President, the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

*Yours sincerely
Liz*

ELIZABETH SMITH
Private Secretary

CONFIDENTIAL

csh



Minister for Local Government

 Department of the Environment
 2 Marsham Street
 London SW1P 3EB

Telephone

01 276 3000

file
Prime Minister²CAS
1458

Friday 11th August 1989

Dear Norman

flap

Thank you for your letter of 3 August to Chris Patten about the NALGO dispute. I have been keeping in close touch with the employers' side. As agreed I left them in no doubt that the consequences of any inflationary settlement could only be loss of jobs in the local authority field, and severe pressures on the community charge.

The employers' side of this negotiation has always been very delicately balanced. Labour authorities are in the majority, but until yesterday the fragile alliance of moderate Labour authorities and the Conservative authorities had maintained a fairly firm line in the conduct of the negotiations. The Conservative leaders of the ADC strongly urged me that it would be counter-productive to make a statement publicly while the negotiations were still going on. They felt that a Government statement would almost certainly compel the moderate Labour authorities to move over to side with the left wing and make much more inflationary concessions. At the same time it would strengthen NALGO's hand if they could represent themselves as conducting a campaign against the Government itself.

As you now know, a settlement was reached late yesterday which awarded 8.8% but did not preserve any of the conditions which the employers had included in their original offer and was also heavily weighted towards the lower grades. It was interesting to note how effectively our message had got home when the employers themselves commented that the agreement would mean fewer jobs and a higher level of community charge.

As agreed, I made an immediate statement criticising the inflationary settlement and making the points we discussed. I am taking every opportunity to press our message home and to do my best to head off any expectations of similar settlements for the manuals and other local authority groups later on.

I am copying this letter to the Prime Minister, whose Private Secretary wrote to Chris Patten's about the dispute on 4 August, Nigel Lawson and other members of E(PSP) and to Sir Robin Butler.

Yours ever

DAVID HUNT

The Rt Hon Norman Fowler MP



Industrial Policy:

Industrial Relations Pt 15.





Copy 1 of 18

36a-c

SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 5803
Telex 915564 Fax 01-273 5821

Secretary of State

Prime Minister²

CF-PC.

RLC
15/8

CRS
9/8

Caroline Slocock
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

9 August 1989

Dear Caroline

INDUSTRIAL DISPUTES : MONITORING MEETING: WEDNESDAY 9 AUGUST 1989

In my Secretary of State's absence, our Deputy Secretary (Mr Manley) chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the twenty-fourth meeting with the broader remit.

The key points which emerged are recorded below:

Docks

(a) dockers at Liverpool returned to work yesterday, one month after the beginning of the official dock strike. All ports were now working normally.

(b) it was estimated that 3,000 out of the 9,200 ex-registered dockworkers had taken redundancy. Only a very small number of men had been dismissed without compensation.

(c) the TGWU planned to celebrate the 100th anniversary of the 1889 dock strike in Millwall park on Saturday. Mr Todd was not expected to attend but sacked shop stewards were expected to register their objection to the end of the recent dispute.

(d) now that the dock labour scheme had been abolished, Cabinet Office would be reviewing its contingency arrangements to take account of the new arrangements.



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department - Training Agency
Health and Safety Executive - ACAS



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

Transport Disputes

(a) on the Underground, agreement had been reached on the size of the basic pay increase: 8.75 per cent. London Underground Limited were however withholding the lump sum due to be backdated from 1 April 1989 from those staff who persisted in taking industrial action.

(b) the dispute over Action Stations had been resolved. All sides had agreed that 10 per cent of all promotees would be promoted on merit irrespective of seniority.

(c) With regard to the pay claim for One-Person-Operated trains, the mediation body set up under the auspices of ACAS had produced a draft recommendation which both sides were considering. The report recommended that train drivers should receive an increase on the basic rate of pay of £7 per week to be backdated to 10 April 1989. It was further recommended that the present driver allowance of £14.63 should be consolidated into basic pay in two phases from 1 August and 1 January, each phase being worth 1 per cent. The increase was estimated to be worth 5.5 per cent in a full year and 4.6 per cent in the present year. This would be in addition to the 8.75 per cent already accepted by underground drivers.

The report would be published at 11.00 am today. London Regional Transport intended to issue a statement in support of the proposed deal whilst making it clear that it was not prepared to offer anything further. It was thought that the executive committees of both unions would recommend acceptance although it remained to be seen whether unofficial action by union members would continue. It was also unclear whether tomorrow's planned underground strike would go ahead (since this meeting was held the unions have announced acceptance of the offer and called off tomorrow's strike). For the Government's part, the presentation of such a pay deal would have to be very carefully handled. There would be concern about the possible read-across to other disputes and the effect on earnings generally.

(d) as for London Buses, management had put a package to the engineers worth 9.1 per cent. It was being put to two delegates conferences today and management thought that it would be accepted.

Local Authority Staff

(a) there was to be a meeting of the NJC today. It was understood that the employers intended to stick firmly to the current 8.15 per cent offer. Ministers at the Department of Environment supported this stance and their view was being made known to the employers. DoE Ministers were also considering a public statement including the question of its timing.



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

(b) currently about 12,000 NALGO members, in key local authority departments such as finance and computing, were on strike as opposed to a target of 25,000.

(c) NALGO was pressing ahead with its ballot for four one-day strikes with no sign as yet of the union giving in.

(d) poultry inspectors in Herefordshire (the largest plant in Europe) had been on strike since 2 August. Adequate inspection was nevertheless now in place at the plant. Inspectors were meeting today to decide whether to continue their action. The Association of British Abattoirs were monitoring the situation closely to see whether there were any grounds for court action.

(e) about 2,000 NALGO members were on strike in Scotland in key areas of work. There were signs that some Labour-controlled authorities there might go their own way and increase their offer. Department of Environment Ministers would continue to monitor the dispute closely.

I am copying this letter to the Lord President, the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely

Elizabeth Smith

ELIZABETH SMITH
Private Secretary

SECRET



FILE

JD

bc P.U.

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

4 August, 1989.

35(a)

Dear Roger,

INDUSTRIAL DISPUTE IN LOCAL GOVERNMENT

The Prime Minister has seen the Secretary of State for Employment's recent letter to your Secretary of State. She supports the proposal that your Secretary of State should make an early statement setting out the relevant facts, including the responsibilities of the employers and unions concerned for the consequences of the deals they may reach.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the other members of E(PSP) and to Sir Robin Butler.

*Yours,
Paul*

Paul Gray

Roger Bright, Esq.,
Department of the Environment.

SECRET

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QUEEN ANNE'S GATE LONDON SW1H 9AT

4 August 1989

NBPM
RACG
4/8

Dear John,

I thought that as Chairman of OD(E) you might like to have this short account of the latest developments in relation to the dispute with the Immigration Service Union.

As you and other colleagues will be aware, the dispute hit hardest at Gatwick, where there have been serious delays in clearing incoming passengers. A recent ISU ballot resulted in the threat of an extension of industrial action, both geographically and in scope, with effect from 4 August.

I am glad to be able to report that the threat of industrial action has now been lifted following a meeting yesterday between Treasury and Home Office officials and Union representatives. At that meeting agreement was reached about future negotiations on the pay structure of the Immigration Service. The industrial action has been suspended and a recommendation will go to the Union's Executive Committee for it to be called off altogether. I am grateful for the assistance of Treasury officials in resolving what was becoming a serious dispute.

I am copying this letter to the Prime Minister, other members of OD(E) and Sir Robin Butler.

Yours,
Douglas.

The Rt Hon John Major MP
Secretary of State for
Foreign & Commonwealth Affairs
Foreign & Commonwealth Office
WHITEHALL, S.W.1.

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Prime Minister²



THE DEPARTMENT
OF TRANSPORT



FROM THE SECRETARY OF STATE

2 MARSHAM STREET LONDON SW1P 3EB
TELEPHONE 01-276 3000

Paul Gray Esq
Private Secretary
10 Downing Street
LONDON
SW1A 2AA

My Ref:

Your Ref:

Dear Paul

3 AUG 1989

LONDON UNDERGROUND STRIKE - 2 AUGUST

My Secretary of State thought that the Prime Minister and other members of MISC 139 would wish to receive a report on traffic conditions and the use of the emergency parking measures organised for yesterday's one-day London Underground strike.

It appears that during the morning peak, traffic began to build up a little earlier, but that overall it was no worse - and the volume was only slightly greater - than on a normal day at this time of year. Reports suggest that there were no major problems and in most areas the traffic was able to move reasonably freely. In the evening, the position was similar.

As indicated in my report last week, we reduced the emergency parking provision by cancelling the two park and ride facilities. The emergency parking provision in Hyde Park and Regent's Park was identical to that provided on previous strike days: but this time, it was significantly underused. By mid-morning, both parking areas were only about half full. Furthermore, it seems that some people using the parking spaces were not bona-fide commuters; instead, tourists, holiday-makers and other motorists appeared to be taking advantage of the free parking rather than paying for places in the regular car parks (some of which, in the West End, were said to be virtually empty.) No coaches used the coach park at Battersea and only four used the one at Victoria Park.

The Department is reviewing the arrangements in the light of yesterday's experience to determine whether future provision is justified on days when there is only an Underground strike. If

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we conclude that it is not justified, it would obviously be vital to explain the reasons for our decision with great care, as it is clear that genuine users, who have no simple alternative, have found the car parking useful and may resent its withdrawal.

Additionally, we are continuing to explore with the Bus and Coach Council (BCC) the possibility of providing additional bus services in those areas where there is no public transport alternative to the Underground. We have in mind bus shuttle services which would connect Underground stations in such areas with British Rail stations. This would enable commuters to continue their journeys on public transport and would avoid the need for coaches to enter central London. But we have made it clear to the BCC that such services must be planned and operated on a commercial basis.

I am sending copies of this letter to Alex Allan (Treasury), Colin Storr (Home Office), Brian Hawtin (Defence), Roger Bright (Environment), Clive Norris (Employment), Neil Thornton (Trade & Industry), Shirley Stagg (MAFF), Stephen Catling (Lord President's Office), Stephen Haddrill (Energy), Michael Saunders (Attorney General's Office) and Trevor Woolley (Cabinet Office).

Yours

Neil

N T E HOYLE
Private Secretary

CONFIDENTIAL



Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . 5803
Telex 915564 Fax 01-273 5821

Secretary of State

34(a-b)

Prime Minister
Agree to endorse action
at X)

AP 3/8

The Rt Hon Chris Patten MP
Secretary of State for the Environment
2 Marsham Street
LONDON
SW1

Dear Chris

Yes not

INDUSTRIAL DISPUTE IN LOCAL GOVERNMENT

The local authority employers' decision to raise their offer to white collar staff from 7 per cent to an overall 8.15 per cent on basic pay, confirms the fears we expressed when we discussed this dispute in Cabinet last week. Although they remained firm on that offer in the subsequent ACAS talks, the employers have also reduced the scope of their original proposals for greater local flexibility in bargaining.

Nobody wishes to question the responsibility of the local authorities for their pay arrangements, but the Government has a legitimate interest in the outcomes. I would be happier if I could see signs that the employers were working within a clearly thought out strategy for dealing with the dispute, rather than merely reacting to union initiatives.

We are bound to be concerned about the current position for several reasons. The new offer reinforces the upwards trend in pay settlements generally, and is undesirable for that reason alone. It will either add to the Community Charge for which we shall be unjustifiably criticised, or it will cost local authority staff jobs, or both.



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Secretary of State
for Employment

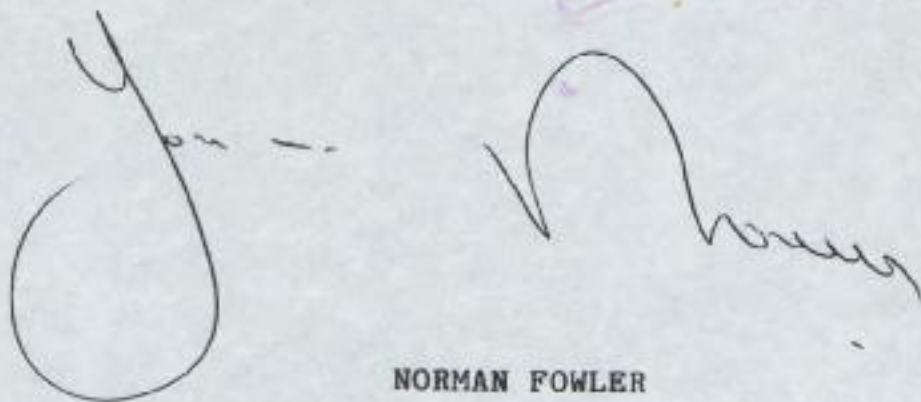
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Moreover, it is by no means clear that the employers' concessions were necessary. Only a little more than a quarter of the whole white collar workforce voted in favour of the initial six one-day strikes, which had little effect nationwide, and were clearly losing support as they continued. It is encouraging that the employers have now decided to test the strength of the latest NALGO tactic, concentrating on key finance and computer staff, since it will prove very expensive for the union to maintain 25,000 strikers on full pay.

The outcome of these negotiations will bear directly on those that are soon to begin in respect of the one million local government manual workers, whose pay settlement date is 1 September. The result there will have even greater impact on the Community Charge and local authority jobs, and will be crucially important in setting the scene for the next round of pay deals, especially in the public sector.

Given these very wide-ranging implications, I believe we must urgently consider the line the Government should take in connection with both the white collar and manual negotiations. Without causing difficulties with the local authority employers, it is essential that the Government's position should be made publicly clear. I understand that you have it in mind to issue a statement at some stage and I would strongly support an early move to set out the relevant facts, including the responsibilities of the employers and unions concerned for the consequences of the deals they may reach.

I am copying this letter to the Prime Minister, Nigel Lawson, the other members of E(PSP) and to Sir Robin Butler.



NORMAN FOWLER

SECRET



Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 5803
Telex 915564 Fax 01-273 5821

Secretary of State

33(a-c)

RA

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

2 August 1989

Dear Paul,

INDUSTRIAL DISPUTES: MONITORING MEETING: WEDNESDAY 2 AUGUST 1989

My Secretary of State chaired a meeting of key Departments this morning to look at recent, current, and possible future industrial disputes in the transport sector and elsewhere. This was the twenty-third meeting with the broader remit. The Minister for Local Government was also present.

The key points which emerged are recorded below:

Docks

- (a) the dock strike was now over;
- (b) there was a possibility of some lingering industrial action in the traditionally militant ports such as Liverpool. Today, Mr Todd was understood to be in Middlesbrough, one port which had not voted to return to work, seeking to persuade his members there to do so.

Transport Disputes

- (a) British Rail was working normally. The first, formal, session of talks at ACAS on future bargaining machinery had taken place yesterday;



Employment Department - Training Agency
Health and Safety Executive - ACAS

Secretary of State
for Employment

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- (b) on the London Underground, the Railway Negotiating Committee had met yesterday. Two of the three disputes had been resolved. First, all three unions had now accepted the 8.75 per cent pay offer. Second, the dispute over the proposed new arrangements for the promotion and flexibility of station staff - the "Action Stations" package - was also over, and useful gains had been made. The remaining dispute concerned the substantial pay increase which ASLEF and the NUR were seeking for the drivers of One-Person-Operated trains, where the position of both sides seemed entrenched. The prospect was therefore for a further one-day strike on the Underground, on Tuesday 8 August;
- (c) on the London buses, the management had prepared a pay and productivity package which they planned to present to the unions tomorrow. If, as seemed entirely possible, this did not prove acceptable to the unions, there would be a ballot seeking a mandate for a campaign involving one one-day strike per week.

Local Authority Staff

- (a) on Monday, the employers had decided to offer the unions a pay deal for white-collar staff, involving an average increase of 8.15 per cent, and actual increases ranging from 8 to 8.8 per cent. At a meeting on Monday afternoon, NALGO had asked for increases ranging from 8.8 to 9.2 per cent. NALGO had also pressed for all the conditions attached to the pay offer to be removed. At ACAS yesterday, the employers had made it clear that while they might relax some of these conditions, they were still insistent on moves towards greater local flexibility on hours of work and weekend working. The talks had then broken down;
- (b) the next scheduled meeting between the two sides was to be the National Joint Council meeting on 10 August, to which ACAS had been invited as observers. The employers' view was that NALGO's negotiating position was likely to weaken meanwhile. This was partly because of the costs to NALGO of sustaining a new campaign of selective strike action. At present, some 7,000 NALGO staff in around 140 local authorities were on strike, and the union's aim was to have 25,000 key staff on strike. The end of the dock and British Rail disputes would also affect the general climate. Against this background, NALGO was balloting its members on a new campaign of national one-day strikes, with the results due at the end of August;



Secretary of State
for Employment

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- (c) the Minister for Local Government had been meeting key local authority figures to ensure that they understood the constraints within which they were working. It was clear that at least the Association of Metropolitan Authorities' leadership understood that there was no more Government money available to finance an enhanced pay deal, which would need to be funded by efficiency savings - including redundancies. However, they were concerned that increasing numbers of individual local authorities would break ranks and sign local deals;
- (d) the meeting noted that it was far from certain that NALGO could sustain an indefinite campaign of national and local strikes, and that the time might soon be right for the Government to emphasise once more that an excessive settlement could have serious effects in terms of the community charge and local authority jobs.

I am copying this letter to the Lord President, the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary



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Prime Minister (2) CEPU
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Prime Minister

PUBLIC TRANSPORT DISPUTES

1. There has been encouraging progress towards the settlement of the long running disputes affecting British Railways, London Underground and London Buses.

2. Last Thursday the NUR Executive at last bowed to the pressure of public opinion and the views of its own members; it accepted the 8.8% that had been awarded by the independent arbitrators and suspended its threat of strikes. The railway is now operating normally. Talks have resumed at ACAS about new collective bargaining machinery. It seems unlikely that the NUR would be able to persuade its members to go on strike again about the machinery of negotiation.

3. On the Underground, two of the three disputes were settled last night. All the unions have now accepted a basic pay rise of 8.75%. This is, of course, higher than we should have liked but was probably inevitable because of the BR settlement, which also included pay supplements in the South East.

4. There was also a settlement of the dispute involving Underground station staff. The unions have accepted a "fast track" for promotion of 10% of the staff. In their case, seniority will play no part in selection. For the remaining staff, selection for consideration will have regard to seniority but suitability will be the final determinant. Proposals on job flexibility have been accepted in principle and the details will be settled by working parties. Although this agreement was reached only last night, most of the station staff reported for duty today.

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5. Regrettably, however, the Underground is again paralysed today because there is no agreement over the claim by ASLEF and the NUR for an extra £64 a week for One Person Operation of Trains. The employers have taken the firm line that there is no further pay for train crew except in return for self-financing productivity deals. The unions are willing to talk about the productivity deals but continue to insist on their claim for £64 a week. Both sides agreed that the next step was to go to ACAS. Those talks began this morning. It is possible that they will lead to arbitration. Management will try to avoid that but arbitration may be inevitable and the only way to secure a settlement. There is no doubt about the strength of feeling - both unofficials and official - about this issue. Meantime, the unions are unwilling to lift their threat of one day strikes by train crews and have called another for next Thursday.

6. Bus drivers and conductors in London have accepted an increase in basic pay of 8.45% and are now working normally. Negotiations with the Bus Engineers continue. A settlement may be in prospect there, too, but could take a little longer and involve some further disruption to bus services. This is, however, the least important of the public transport disputes and has attracted no public sympathy.

7. I am sending copies of this minute to the Secretary of State for Employment and the Chief Secretary and to Sir Robin Butler.

C.P.



CECIL PARKINSON

2 August 1989

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*He
All will be
a copy*

Prime Minister

PUBLIC TRANSPORT DISPUTES

1. There has been encouraging progress towards the settlement of the long running disputes affecting British Railways, London Underground and London Buses.
2. Last Thursday the NUR Executive at last bowed to the pressure of public opinion and the views of its own members; it accepted the 8.8% that had been awarded by the independent arbitrators and suspended its threat of strikes. The railway is now operating normally. Talks have resumed at ACAS about new collective bargaining machinery. It seems unlikely that the NUR would be able to persuade its members to go on strike again about the machinery of negotiation.
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C.P.

CECIL PARKINSON

2 August 1989

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1 of 18



SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 5803
Telex 915564 Fax 01-273 5821

Secretary of State

→ RR
329
Prime Minister

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

REC 6
31/7

31 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: MONDAY 31 JULY 1989

In my Secretary of State's absence en route to London, our Deputy Secretary (Mr Manley) chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the twenty-second meeting with the broader remit.

During the holiday period, our intention is to convene formal meetings only twice a week, on Mondays and Wednesdays.

The key points which emerged are recorded below:

Docks

- (a) following the meetings of its Docks and Waterways Group and Docks Delegate Conference on Friday, the TGWU was trying to breathe new life into the dispute. It was organising mass meetings of formerly registered dockworkers up and down the country, and had also issued a formal instruction to its lorry-driver members not to cross picket lines. So far, these tactics had failed;
- (b) dockworkers at Southampton, Hull and Fleetwood had defied the union and voted over the weekend to return to work. This meant that today, for the first time, the following ports were working normally: Southampton, Hull, Fleetwood, Leith, and Purfleet. Grangemouth had reportedly reconvened their mass meeting, and there were hopes that this would lead to a return to work, which



SECRET AND CMO UNTIL 31 DECEMBER 1989



would in turn encourage other Scottish ports such as Fife to go back. Tilbury was also fully operational. Bristol, Liverpool, Glasgow and Middlesbrough remained firmly on strike. Formerly registered dockworkers in Ipswich were also on strike, but the port could function indefinitely without them;

- (c) the employers' view was that the strike was now all but over. However, there were two immediate problems. The first of these were the pickets which had appeared at Tilbury and Southampton. Some of these were from the ports they were picketing, but there were also flying pickets from Liverpool. The flying pickets would be breaking the law, but provided that the TGWU denounced their activities the employers could take legal action only against the individual flying pickets and not against the union. However, the TGWU had apparently also issued an instruction to its lorry-driver members not to cross picket lines, and on the face of it any driver who obeyed this would be engaging in unlawful secondary action for which the TGWU could be held liable. Ministers sought further advice on this point;
- (d) the second problem was at Hull, where all but one of the formerly registered dockworkers had returned to work today, having been told by their employer that they would otherwise face dismissal. The sole exception was Mr Walter Greendale, a former Chairman of the TGWU, and still a powerful figure locally. He had not returned to work, though it was possible that he was ill. By staying away, he faced the employers with the task of dismissing him, which could well raise the temperature locally;
- (e) the TGWU executive was thought to be meeting tomorrow to consider what to do next. Their options were very limited.

Transport Disputes

- (a) on the Underground, ASLEF's London District Committee met today. They had already accepted the 8.75 per cent pay offer, though they were still in dispute over their £64 per week pay claim for One-Person-Operated trains. London Regional Transport had outlined a possible pay and productivity deal which had found favour with the ASLEF leadership, but the leaders still feared the recurrence of unofficial action;
- (b) the Underground's Railway Negotiating Committee met tomorrow. It involved all three unions - the TSSA, ASLEF, and NUR - and would discuss the basic pay claim,



SECRET AND CMO UNTIL 31 DECEMBER 1989

the separate OPO pay claim, and the management's "Action Stations" proposals. The issues remained very difficult, and there was no reason to think that the one-day strike scheduled for Wednesday 2 August would be cancelled;

- (c) on the London Buses, the bus engineers would be balloting on Friday 5 August to seek a mandate for weekly one-day strikes.

Local Authority Staff

- (a) the employers were meeting NALGO today. Both sides had been talking as if a higher pay offer was imminent, and there were also reports that other matters relating to local flexibility might be pursued at talks under ACAS auspices;
- (b) currently some 4,000 NALGO members, in key local authority departments such as finance and computing, were on strike. The union were hoping that 25,000 would be on strike by the end of the week. These strikes were thought to have been sanctioned by local ballots. The strikers were reportedly receiving full pay while on strike. It was not clear how long the Union's strike fund could last in these circumstances, but it could become tight in as little as 3-4 weeks;
- (c) given the constraints on Government involvement in the dispute, it was vital that early thought be given to the presentation of the eventual settlement, which could be highly damaging if (as seemed likely) it was of the order of 8 per cent or more.

I am copying this letter to the Lord President, the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary

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*NBAM
PCC
1/8*



SECRETARY OF STATE FOR ENERGY
THAMES HOUSE SOUTH
MILLBANK LONDON SW1P 4QJ
01 238 2149

Clive Norris Esq
Private Secretary to the
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

31st July 1989

Dear Clive,

**INDUSTRIAL RELATIONS AND TRADE UNION LAW REFORM:
PROPOSALS FOR LEGISLATION**

at top
My Secretary of State is content with the proposals for legislation outlined in Annex A to Mr Fowler's minute of 23 July to the Prime Minister and with the intention to proceed with early drafting of the Bill.

I am copying this to Paul Gray at No 10 and to the private secretaries to the recipients of Mr Fowler's minute.

*Yours ever,
Stephen*

STEPHEN HADDRILL
Principal Private Secretary

2ND POL: Relations P 15



R E S T R I C T E D

FROM: S R BRAMALL
PORTS
31 July 1989

APS/Secretary of State

cc: PS/Minister of State	PS/Secretary of State (DEmp)
PS/Mr McLoughlin	PS/Secretary of State (W.O.)
PS/Sir Alan Bailey	Mr Whybrew (DEmp)
Mr Sunderland	Brig. Budd (Cabinet Office)
Mr Noulton	Mr Rhodes (Home Office)
Mr Lyness	Mr Spivey (DTI)
Mr Crane	Mr Cassell (MOD)
Mr Fells	Mr Meekings (MAFF)
Mr Kitchen	Mr Mortimer (Treasury)
Miss Samuel	Mr McConnell (N.Ireland)
Miss Buchanan	Mr Burnside (Scottish Office)
Miss Russell-Smith	Mr Atkinson (DEn)
Mr Findlay (Ports Off.Scotland)	Mr Hadfield (W.O.)
Mr Mullock	Ms Bryant (DEmp)
Mr Jinks	
Duty Officer	

DOCKS DISPUTE: SIT REP FOR 31 JULY 1989

1. There has been a full return to work today by the dockers at Southampton, Hull, Whitehaven, Fleetwood, Blyth and on some of the private wharves on the Thames. Some dockers on the Clyde and the Forth have also returned today. The dockers at Tilbury have remained at work. So the only ex-scheme ports still effectively strike bound are Liverpool, Tees and Hartlepool, Bristol, Sunderland, Seaham and Workington.

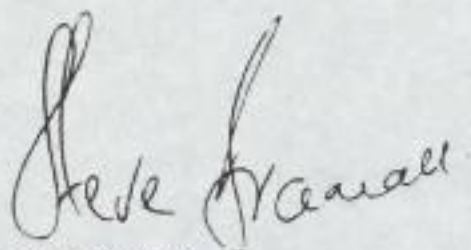
2. The situation at Dundee is a little confused since the port employer, Dundee Stevedores Ltd, went into liquidation last Friday. For the purposes of this report the port of Dundee is no longer regarded as on strike since the Port Authority is taking steps to provide alternative Stevedoring services. Falmouth is also now working normally, since the 7 RDWs there have taken redundancy: the dock work is now undertaken by other existing employees.

3. Although, there are pickets outside many ports we have had no reports of trouble, and most lorry drivers have crossed the picket lines.

4. The position can be summarised as follows:

No. of ex-scheme dockers at work:	3578
No. of ex-scheme ports working normally:	37
No. of ex-scheme ports partially working:	6
No. of ex-scheme ports not working:	6

After taking account of the number of redundancies, which we now estimate at about 2,800, almost 56% of former RDWs are back at work, despite the union's decision last Friday that the strike should continue.



S R BRAMALL
PORTS
1/10 Sunley House
Ext.3259

30 July 1989

P. S. A Union meeting is being held tomorrow to consider the whole matter further.

FORMER SCHEME PORTS
WORKING NORMALLY: 31 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>FORMER RDWs WORKING</u>	<u>COMMENT</u>
Aberdeen	A number of private companies including P&O and a new co-operative established by former RDWs		
Ardrossan	Ardrossan Harbour Co Ltd	16	
Ayr	Associated British Ports	--	All former RDWs made redundant. Dock work carried out by non-RDWs
Barrow	J Fisher and Son	8	
Barry	Associated British Ports	44	
Blyth	Blyth Harbour Commission	20	Remaining RDWs redundant
Boston	Boston Borough Council	87	Returned 19.7.89
Cardiff	Associated British Ports	--	All former RDWs made redundant.
Chatham	Crescent Shipping	51	Returned 17/7/89
Dundee		—	Alternative Stevedoring services being established
Falmouth	Falmouth Ship Repair Co	--	All RDWs made redundant
Fleetwood	Associated British Ports	40	
Fowey & Par	English China Clay.	--	All former RDWs redunant.

Goole	Associated British Ports	63	
	Limb and Co	29	
Great Yarmouth	Great Yarmouth Port Labour Co.	101	
Grimsby and Immingham	Exxtor Group Ltd	154	}
	British Steel/British Coal	101	
	General Workers Stevedores	21	
	Associated British Ports	12	
Hull	North Sea Ferries		}
	Associated British Ports		
	Mantague and Meyer	430	
	Gilliot and Scott		
Ipswich	Ipswich Port Authority		88 ex-RDWs still on strike. Non-RDWs returned to work after 24 hour stoppage.
Kings Lynn	Associated British Ports	12	Returned to work 1.00pm 13/7/89
London	Port of London Authority, Tilbury	583	
	Convoys Wharf	74	
	Purfleet	167	
	DIFT	42	
	FTE Lighterage	5	
Lowestoft	Small and Co	10	

Newport	Associated British Ports;	91	
	BMB Forest Products Ltd.	22	
Penzance	Isles of Scilly Steamship Co.	11	
Poole	Poole Harbour Commissioners	100	Returned 18/7/89
Port Talbot	British Steel Corporation.	44	
Ridham, Sittingbourne	Independent Sea Terminals Ltd.	29	
Sharpness	British Waterways Board	35}	
	Coopes Metals	7}	
	Trent Wharfage Ltd	3}	
Sheerness	Medway Port Authority.	371	
Southampton	Associated British Ports	442	
Swansea	Associated British Ports;	--	All former ABP RDWs made redundant.
	Dragon Shipping.	8	
Silloth	D A Harrison	3	
Weymouth	Sealink UK Ltd.	11	
Wisbech	Wisbeck Stevedores Ltd	--	All former RDWs made redundant.
Rochester	Anglo Sped Ltd, Stanley Wharf.	8	
Rochester	Shiplink Ltd, Limehouse Wharf.	55	
Rochester	Transit Freight	55	

Rochester Britholdings Ltd 15

Whitehaven Whitehaven Harbour
Commission 16

ANNEX B

FORMER SCHEME PORTS
 PARTIALLY WORKING: 31 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>NO. OF EX-RDWs ON STRIKE</u>	<u>NO. OF EX-RDWs WORKING</u>
Clyde	Clyde Port Authority, Hunterston	14	4
	Shrathclyde Stevedores, Greenock	--	19
	Greenock Bulk Handling Co	30	--
Garston	Associated British Ports	All RDWs redundant	
	Mersey Container Terminals Ltd	29	--
Forth	Forth Ports Authority, Methil	23	--
	Forth Ports Authority, Leith	--	32 (66 made redundant)
	Forth Ports Authority, Grangemouth	13	
	Pearson and Jackson, Buntisland	9	--
Manchester Ellesmere Port	Manchester Ship Canal Co	All RDWs redundant	
	Manisty Wharf	38	--
	Cawoods Container Services	--	14
Manchester Salford	Manchester Ship Canal Co	28	--
	Trafford Park Stevedores	--	5

Manchester Runcorn	Manchester Ship Canal Co	9	--
	W. H. Stott	All men redundant	
Manchester Weston Point	Ocean Port Services	17	--
Plymouth	Associated British Ports	--	3
	Cattedown Wharves Ltd	--	5
	Bayley Bartlett Ltd	--	2
	Escombe Lambert Ltd	9	
Tyne	Port of Tyne Authority	54	43
	DFDS Ferries	--	19

ANNEX C

FORMER SCHEME PORTS NOT
WORKING: 31 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>NO. OF RDWs</u> <u>Approx.</u>	<u>COMMENT</u>
Bristol	Bristol Port Authority and private employers	450	Bulk oil ships dis- charging normally. Picket line. Car transporters not crossing picket line. 4 private operators working with 20 ex-RDws.
Liverpool	Mersey Docks and Harbour Co. and all private operators.	1,000 (approx)	Pickets.
Seaham	Seaham Port Authority	16	
Sunderland	Port of Sunderland Authority.	31	
Tees and Hartlepool	Tees and Hartlepool Port Authority; Bell Containers; ICI Ltd; BSC Redcar.	) 445))))	Heavy pickets. 12 men working for Bell Containers returned to work 24/7/89 and 4 working working for Tees and Hartlepool returned 30/7/89
Workington	Cumbria County Council.	16	

File



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

31 July 1989

Dear Chris,

**INDUSTRIAL RELATIONS AND TRADE UNION LAW REFORM:
PROPOSALS FOR LEGISLATION**

The Prime Minister was grateful for your Secretary of State's minute of 23 July enclosing the detailed proposals for which he plans to prepare legislation.

The Prime Minister welcomes the broad thrust of the proposals. She is, however, concerned that, on the key issue of the pre-entry closed shop, the specific remedies may not be sufficient. She would be grateful if your Secretary of State could consider the possibility of additional measures, such as:

- giving the tribunal the power to order employers to engage an individual, rather than just paying compensation. She understands that this is the position in the case of the post-entry closed shop;
- increasing the maximum level of compensation. She feels that a maximum level of £8925 is unlikely to be an effective deterrent, and understands that in cases of unfair dismissal for non-membership of a union a tribunal can award as much as £25,000.

The Prime Minister also questions the proposal not to provide a remedy for individuals who are refused engagement because they are union members. She feels that the Government's position would be greatly strengthened if the new right of appeal was extended to union members who feel discriminated against for that reason. She understands that the principle of even-handed treatment of union and non-union members has been adopted for the post-entry closed shop.

The Prime Minister considers that this last point would substantially improve the reception for the Government's proposals in the European Community in that it would help to demonstrate practical commitment to individual workers' rights. She regards this as particularly important given that this legislation will coincide with the Social Charter debate

in Europe; the implications of all aspects of the proposals need to be assessed in that context.

I am copying this letter to the Private Secretaries to members of E(A), Paul Stockton (Lord Chancellor's Office), Michael Saunders (Law Officers Department), Stephen Leach (Northern Ireland Office) and Trevor Woolley (Cabinet Office).

Yan,
Paul

PAUL GRAY

Clive Norris, Esq.,
Department of Employment

CONFIDENTIAL

SLUBIR



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

31 July 1989

Dear Neil,

PUBLIC TRANSPORT STRIKE: 26 JULY

Thank you for your letter of 26 July reporting on traffic conditions and the use of emergency parking measures on 26 July. The Prime Minister was grateful for this material which she has noted.

I am copying this letter to Alex Allan (H M Treasury), Peter Storr (Home Office), Brian Hawtin (Ministry of Defence), Clive Norris (Department of Employment), Neil Thornton (Department of Trade and Industry), Shirley Stagg (Ministry of Agriculture, Fisheries and Food), Stephen Catling (Lord President's Office), Stephen Haddrill (Department of Energy), Michael Saunders (Law Officers' Department) and Trevor Woolley (Cabinet Office).

Ya.
Paul

PAUL GRAY

Neil Hoyle, Esq.,
Department of Transport

CONFIDENTIAL

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SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 5803
Telex 915564 Fax 01-273 5821

Secretary of State

RA

Prime Minister ²

Rec 6
2/7

28 July 1989

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

Dear Paul,

ant

INDUSTRIAL DISPUTES : MONITORING MEETING: FRIDAY 28 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the twenty-first meeting with the broader remit.

The key points which emerged are recorded below:

Docks

- (a) at Tilbury, there had been a full turnout this morning, though there was a heavy picket. Mass meetings at Hull and Southampton yesterday had resulted in their delegates to today's TGWU Docks Delegate Conference being instructed to vote for an end to the strike. Of other major ports, Bristol dockworkers were still undecided, and - unsurprisingly - Liverpool dockworkers reportedly still wanted to go on with the strike;

indeed the Delegate Conference

- (b) the tough tactics adopted by the Port of London Authority had clearly worked at Tilbury, though they would make it more difficult for delegates at today's meetings of the TGWU Docks and Waterways Group and Docks Delegate Conference to accept that the strike had no future;

has now called for the strike to continue.

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SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department · Training Agency
Health and Safety Executive · ACAS



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

Transport Disputes

- (a) last night, the NUR Executive had decided to accept British Rail's 8.8 per cent pay offer; to suspend their strike campaign; and to seek immediate talks at ACAS on future bargaining machinery. BR had immediately welcomed this and agreed to the talks. These were expected to start next week. This outcome had only served to confirm that the NUR strike campaign had been pointless;
- (b) the NUR had also announced that there would be a further one-day strike on the London Underground on Wednesday 2 August. They had clearly not addressed themselves to this dispute for some weeks. The Chairman of London Regional Transport had met privately with the General Secretaries of ASLEF and the TSSA, and both were in a more constructive mood than were the NUR;
- (c) on the London Buses, exploratory talks were under way with the bus engineers. They currently had a mandate, from their last ballot, for one one-day strike per fortnight. The next of these was due on Monday 7 August, and there were reports that the engineers might be balloting again to seek a mandate for weekly one-day strikes.

Local Authority Staff

- (a) the employers were meeting NALGO on Monday 31 July. The new Minister for Local Government [Mr Hunt] had invited the Chairmen of the three Local Authority associations [the Labour dominated Association of Metropolitan Authorities, and the Conservative Associations of District Councils and of County Councils] to meet him early next week, though this could not be before the employer-union talks began. There seemed little obvious scope for the Government to do more, despite the considerable anxieties about the likelihood of an excessive pay settlement.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,
Clive Norris

CLIVE NORRIS
Principal Private Secretary

PRIME MINISTER

INDUSTRIAL RELATIONS REFORM

Norman Fowler's minute of 23 July (Flag A) sets out his detailed proposals for next session's Bill following the responses received to the Industrial Relations Green Paper issued in the Spring. He seeks agreement to proceeding with the drafting. (The paper does not cover the possible further legislative steps on essential services and unofficial action; Norman Fowler is doing further work on these aspects as agreed at the recent E(A) discussion).

Norman Fowler proposes broadly following the proposals set out in the Green Paper, coupled with three small, largely technical, additions.

The core of the package is the action proposed on the pre-entry closed shop. Andrew Dunlop (Flag B) has a number of concerns on this aspect, and recommends you to press Norman Fowler to stiffen the package in three ways:

- ✓ - provide the tribunal with a power to order employers to offer a job to individuals who have been unfairly discriminated against, as is already provided for the post-entry closed shop.
- ✓ - raise the maximum level of compensation for those discriminated against from the figure of £8,925.
- ✓ - extend the new right of appeal not only to people who are not members of a union but also to those who are union members and feel discriminated against for that reason. Andrew sees this as an important point of principle, and one where the package could be improved with a view to a reception in the Community context.

Andrew also recommends that Norman Fowler should be asked to consider implications the package might have for debate on the Social Charter.

Yes - all three

- i. Do you want to support the changes to Norman Fowler's package recommended by Andrew Dunlop?
- ii. Any other comments?

No

mt

✓

Agreed

REC.

Paul Gray

28 July 1989

Copy 1 of 18 copies

→ fax



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SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . 5803
Telex 915564 Fax 01-273 5821

Secretary of State

Prime Minister²

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

Tonight's excellent news is that
he has accepted S. & P's, and
suspended industrial action pending
urgent talks on 27 July 1989
beginning negotiations.

Dear Paul,

Rec'd
27/7
mtg

INDUSTRIAL DISPUTES : MONITORING MEETING: THURSDAY 27 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the twentieth meeting with the broader remit. The Minister of State for Transport [Mr Portillo] and the Minister of State at Environment [Mr Hunt] were also present.

The key points which emerged are recorded below:

Docks

- (a) at Tilbury, the grain and container terminals were now working normally, and there had also been a substantial return to work this morning in the conventional part of the port. In short, the PLA's recent action seemed to have succeeded in breaking the strike. The authority of the shop stewards had been severely undermined because they had themselves accepted redundancy payments under the Government's scheme of up to £35,000. They had thus been unable to persuade the strikers to remain on strike. This was a highly significant development. [Since the meeting, we have heard that Tilbury is now working normally and that dockworkers at Hull have also voted to return to work, from Monday. This is a further significant blow to the strike, and should now mean that the end of the strike is in sight];



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department - Training Agency
Health and Safety Executive - ACAS



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- b.
- (b) elsewhere in London, over 200 formerly registered dockworkers had yesterday returned to work or decided to do so. At Greenock, Middlesbrough and North Shields, normal working had either already begun or would be achieved by Monday. A mass meeting was taking place at Bristol today;
 - (c) as of lunch time today, over 30 former Scheme ports were now working normally, with more than 2,500 former registered dockworkers working. A further 2,500 formerly registered dockworkers were understood to have accepted redundancy, most of them voluntarily. This meant that most of the dockworkers who had been registered under the Scheme were now either working or had decided to leave the industry: the strikers were in the minority;
 - (d) both the Docks and Waterways Group and the Docks Delegate Conference of the TGWU were meeting tomorrow morning. They would clearly be under pressure to call the strike off. It was understood that the more militant members of the docks section of the union had called a meeting on Saturday: this was a completely unofficial meeting of a group which had, as far as was known, not met before.

Transport Disputes

- (a) yesterday's one-day British Rail strike by NUR members had received much less than total support. An estimated 12,500 out of 75,000 NUR members had reported for work. This had received wide press coverage. The Executive was meeting today, and there was a feeling around that they would vote to suspend - but not call off - the strike campaign. The purpose of suspending it rather than calling it off was that the mandate for further one-day strikes from their previous ballot would remain in force. However, it was possible that the NUR might also ballot their members on the actual 8.8 per cent pay offer;
- (b) yesterday's one-day strike on the London Underground had been almost total. Both ASLEF and the NUR remained concerned at the possibility that unofficial action might start up again. ASLEF had accepted the 8.75 per cent pay offer, were willing to negotiate on productivity, and would be meeting next Monday to consider calling off their industrial action. The NUR, however, seemed unable to contemplate any movement in this dispute until the British Rail dispute was over;



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- C.
- (c) the meeting noted that a number of factors were now working together to reduce the industrial leverage available to the Underground unions. The Parliamentary Recess, the crumbling of support for the docks and British Rail strikes, and the onset of the holiday season, were all helpful in this respect;
 - (d) there had been no change on the London Bus dispute. The bus engineers remained in negotiation. The buses had run yesterday, as expected.

Local Authority Staff

- (a) the employers were meeting NALGO on Monday 31 July. NALGO's mandate for industrial action had now expired. They were now conducting ballots of key staff in specific workplaces, and the first of what they hoped would be a series of indefinite strikes of key workers had already begun in the Birmingham Rates Department. They seemed to be targeting local authority finance departments in particular, no doubt with the aim of disrupting the arrangements for bringing in the Community Charge. They were also balloting all local authority white-collar staff, seeking a mandate for four one-day national strikes in any one-month period. The results of this ballot were expected in early to mid-August;
- (b) it seemed likely that the employers would make some concessions on Monday. Any increase in the pay offer would have to be financed from the rates or Community Charge. There was every prospect that the Government would - quite wrongly - be held responsible for any such increases. However, there was little direct leverage which the Government could bring to bear in this dispute. The employers' negotiating position was also weakened by the fact that their team was committed to consult all local authorities concerned before the pay deal was finalised;
- (c) the meeting noted that the existing 7 per cent offer to this group was already generous, and that further concessions leading to an excessive pay increase could have serious knock-on effects in other sectors, including the local authority manuals, where negotiations were already under way in respect of a settlement due on 1 September. The meeting noted also that it was vitally important that the local authority employers continued to press NALGO for greater flexibility in pay and working practices at the local level.



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Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary

SECRET

28(a-c)

PRIME MINISTER

26 July 1989

TRADE UNION LEGISLATION

Most of what Norman Fowler proposes is sensible and should be supported. But I am sceptical whether his proposals on the closed shop will be effective. They need some teeth.

My main concern is that we are dealing here with a situation in which an employer may connive with the union to sustain a covert, pre-entry closed shop. This will only be broken when such employers start to hire non-union labour.

As they stand, Norman Fowler's proposals may provide adequate compensation for individuals who have been discriminated against. But they don't offer any real incentive for employers who are less than keen to start taking on non-union labour.

My specific comments are as follows:

First, the powers of the industrial tribunal. The tribunal has not been given a power to order employers to offer a job to those individuals who have been unfairly discriminated against.

In the case of the post-entry closed shop, the tribunal does have such a power. It can order a company to give back to an employee his old job (or a similar one).

Second, level of compensation. Many firms which don't want to disturb the status quo of a closed shop would simply pay the compensation and call it quits. The maximum level of £8,925 proposed by Norman Fowler is unlikely to be an effective deterrent. In cases of unfair dismissal for

SECRET

non-membership of a union, a tribunal can award as much as £25,000.

Third, lack of even-handedness (see Annex, para 4). The Government's position would be strengthened immeasurably if the new right of appeal extended equally to union members who feel discriminated against for that reason. This is a point of principle. There is a principle of even-handed treatment under our existing trade union legislation. All individual employees have the right not to be dismissed for being a member of an independent trade union or for proposing to become a member.

Moreover, it might also be very important in the European Community context where it will help us if we demonstrate a practical commitment to individual workers' rights without appearing anti-union.

In the same vein, Norman Fowler is wrong to say there are no Community implications. This legislation will coincide with the Social Charter debate. All proposals must be framed so that there is as much advantage as possible in the Brussels context.

RECOMMENDATIONS

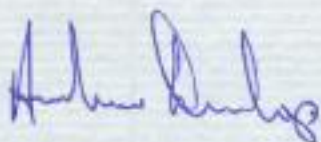
1. Welcome the thrust of Norman Fowler's proposals.
2. However, on the key issue of the closed shop, comment that you are concerned that the specific remedy will not be sufficient to deal with the problem.

SECRET

3. Invite Norman Fowler to consider how this could be made tougher, for example by:
 - giving a tribunal the power to order employers to engage an individual, rather than just pay compensation as this is the only way in practice to break the pre-entry closed shop;
 - increasing the maximum level of compensation to persuade reluctant employers to break the covert closed shop.

4. Question the principle of not treating even-handedly union and non-union members for the purposes of the pre-entry closed shop, given that they are so treated post-entry.

5. Note the read across that this proposal might have for the debate on the Social Charter. Ask Norman Fowler to assess the implications of this proposal to ensure that we can turn our domestic approach to best advantage in Brussels.



ANDREW DUNLOP

SECRET



Copy 1 of 18
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SECRET AND CMO UNTIL 31 DECEMBER 1989
Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . **5803**
Telex 915564 Fax 01-273 5821

Secretary of State

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

Prime Minister
You will presumably want Messrs
Foster and Perkins to report the
latest position of Cabinet tomorrow.
26 July 1989

RCG
26/7

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: WEDNESDAY 26 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the nineteenth meeting with the broader remit.

The key points which emerged are recorded below:

Docks

- (a) the Port of London Authority's announcement yesterday of major redundancies risked raising the temperature of the dispute. The situation was not helped by the fact that their action had been widely misrepresented: for example, not all reports had made it clear that the 16 shop stewards who had been made redundant were simply a small part of the total of 657 redundancies. The remaining 500-600 PLA employees had been sent individual employment contracts to sign, under threat of dismissal. This group of employees, therefore, had a choice between these terms - which were said by PLA to be better than their current terms of employment - or being dismissed, and thus losing their right to compensation under the special redundancy arrangements;



SECRET AND CMO UNTIL 31 DECEMBER 1989
Employment Department · Training Agency
Health and Safety Executive · ACAS



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- b.
- (b) the Port of London Authority were confident that these tactics would succeed in ending the strike in their port. The initial indications were that they might have got it right. Tilbury had a complex shift pattern, but this morning some 120 dockworkers had turned up for work, more or less the number expected. [Since the meeting, we have heard that a total of 164 dockworkers have reported for work, so that, apart from the conventional cargo area where the men are expected back on Thursday, the port is fully operational. The PLA is very pleased with the outcome. Picketing is apparently very low key];
 - (c) the Mersey Docks and Harbour Company were also taking firm action. Their latest newsletter to their staff had made it clear that in due course they would also face the choice between staying on strike and losing their jobs, or returning to work and keeping them. However, to date, they had not set a specific timetable for their employees' decision;
 - (d) there had been little movement back to work elsewhere. [Since the meeting, we have learnt that all 42 formerly registered dockworkers at the Dartford International Ferry Terminal have returned to work today; that the dockworkers at Purfleet [133] have voted to return to work on Monday and that the coal-trimmers of North Shields are expected to return to work tomorrow];
 - (e) the latest estimate, as of this afternoon, is that over 2,000 formerly registered dockworkers are now at work; some 2,500 have accepted redundancy; and between 4,500-4,700 are still on strike;
 - (f) the TGWU Docks and Waterways Group and its Docks Delegate Conference were both meeting on Friday 28 July to review this position.

Transport Disputes

- (a) today was the sixth one-day strike on British Rail. TSSA and ASLEF members were reporting for work, but it seemed that most NUR members had obeyed the strike call. A few trains were running in the Western region, especially Cornwall and in East Anglia. BR could have run more trains if the management had manned key signal boxes, but this would have been a highly controversial move which they had decided not to make at this stage. The next phase of the dispute now depended upon the decisions reached at the NUR Executive tomorrow. There were press reports that the meeting might vote narrowly to suspend the strike campaign;



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (b) today's strike on the London Underground was virtually total, though there were a few trains on the Piccadilly line. No early movement towards resolving the dispute seemed likely as long as the British Rail dispute dragged on. A further one-day strike on the Underground was scheduled for Wednesday 2 August;
- (c) the London buses were apparently running normally today.

Local Authority Staff

- (a) the new NALGO campaign of strikes in support of their pay claim was already under way. The first element was a series of indefinite all-out strikes involving key workers. The first of these, in the Birmingham Rates Department, had begun yesterday, following a rapid workplace ballot. NALGO would shortly be balloting all their local authority white-collar members about the second element, which was envisaged as a programme of four one-day total strikes in each four week period.

Other disputes

- (a) the meeting noted that the recently-announced 7.5 per cent pay settlement for water industry white-collar staff did in fact represent an 8.75 per cent increase once backdating was taken into account. The union concerned was, again, NALGO. Furthermore, the earlier water industry manual pay settlement, which had been presented as 7.5 per cent, was in fact at the level of 8.5 per cent, once the consolidation of bonuses was taken into account. This illustrated a general difficulty in arriving at full and comparable details of often complex pay deals, and in deciding how to present settlements to the wider public;
- (b) as expected, the ambulance drivers were now balloting on planned industrial action - short of an all-out strike - in support of their pay claim. In rejecting the 6.5 per cent offer, they had again quoted both the police pay award, of 9.25 per cent, and also the index linking arrangements which applied to the fire service.



d.

Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

*Yours sincerely,
Clive Norris*

CLIVE NORRIS
Principal Private Secretary

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THE DEPARTMENT OF TRANSPORT

FROM THE SECRETARY OF STATE



2 MARSHAM STREET LONDON SW1P 3EB
TELEPHONE 01-276 3000

Paul Gray Esq
Private Secretary
10 Downing Street
LONDON
SW1A 2AA

My Ref:

Your Ref:

26 JUL 1989

Dear Paul

PUBLIC TRANSPORT STRIKE - 26 JULY

My Secretary of State thought that the Prime Minister and other members of MISC 139 would again be interested to have a report on traffic conditions and the use of emergency parking measures organised for today's one-day public transport strike in London.

Although the pattern was still variable, morning peak traffic was generally not as heavy as on previous strike days. Burst watermains in north and east London caused some local congestion; but in most places traffic was able to keep moving, albeit slowly.

Afternoon and evening traffic volumes appeared to be significantly down on previous weeks.

Full use was made of the parking places in the Royal Parks, their associated roadways and the new overspill facility at Regent's Park Zoo. Use of the Park and Ride scheme at White City increased again, this time by 25%, with some 210 vehicles using the site - but this was still less than 25% of the full capacity.

The Park and Sail site at Greenland Quay attracted only 112 vehicles, compared with 130 the previous week and 200 during the first week of operation. Once again, however, the associated riverbus service was very well used by pedestrians. 150 coaches used Battersea Park and 110 coaches were accommodated in Victoria Park, Hackney.

As you may know, the NUR executive will be meeting tomorrow to discuss their dispute with BR. They may decide to call a further one-day strike next week; but there are signs that rank

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and file support for further industrial action is wavering, and it is possible that the executive will adopt a more conciliatory policy. The NUR executive will also be considering the LUL offer at the same meeting.

If there is a strike on the Underground only, we shall continue to provide the emergency car-parking in the Royal Parks and the coach-parking in Battersea Park and Victoria Park, Hackney. The park and ride facilities at White City and Greenland Quay would not be justified in the context of an Underground strike. We intend, however, to publicise the availability of the car parks attached to various Underground stations for use by commuters in association with existing regular bus services to BR railway stations or place of work. We have also asked the police to consider measures to handle the large flows of commuters who are likely to walk to work from the mainline termini.

If there is a strike on both rail and underground services again next week, we shall be making the same provisions for emergency car-parking as for today. In addition, we are trying to arrange extra coaches to provide bus services along public transport routes.

I am sending copies of this letter to Alex Allan (Treasury), Colin Storr (Home Office), Brian Hawkin (Defence), Clive Norris (Employment), Neil Thornton (Trade & Industry), Shirley Stagg (MAFF), Stephen Catling (Lord President's Office), Stephen Haddrill (Energy), Michael Saunders (Attorney General's Office) and Trevor Woolley (Cabinet Office).

Yours

Neil

N T E HOYLE
Private Secretary

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SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 5803
Telex 915564 Fax 01-273 5821

Prime Minister²

Secretary of State

→ RA

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

mb

25 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: TUESDAY 25 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the eighteenth meeting with the broader remit.

The key points which emerged are recorded below:

Docks

- (a) dockworkers at North Shields and Ardrossan had, as expected, returned to work yesterday. This meant that more than half of former Scheme ports were now working. However, mass meetings at both Southampton and Hull had voted to stay out on strike. Neither vote was quite what it seemed: apparently, delegates from both ports would argue at Friday's Docks Delegate Conference for the strike to end, and further mass meetings were scheduled in both ports this Saturday;
- (b) the Port of London Authority were expected to announce major redundancies today. These would involve around half the workforce, and were understood to be mainly voluntary. [Since the meeting, we understand that the PLA has announced a total of 657 redundancies, including 540 former registered dockworkers and 16 shop stewards; all but 130 of the redundancies were voluntary. In addition, they have written to those remaining members of their workforce on strike warning them that, unless they accept new terms and conditions by 5:00 pm tomorrow, they risk dismissal];



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department · Training Agency
Health and Safety Executive · ACAS



Secretary of State
for Employment

SECRET AND CMO UNTIL 31 DECEMBER 1989

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- (c) two employers were now taking legal action against the TGWU. Mersey Containers of Garston were seeking an injunction against the union arising from picketing at Garston which had allegedly disrupted their business; and a shipping line was also seeking damages because one of its ships had been turned away;
 - (d) despite the votes at Hull and Southampton, the drift back to work was continuing. Approaching half of the formerly registered dockworkers were now either working or had accepted redundancy. Before Friday, the TGWU would clearly be seeking some way to revive the flagging support for the strike.

Transport Disputes

- (a) the key unknown about tomorrow's British Rail strike was how many NUR railwaymen would come to work. Its membership had enormous loyalty towards the union, but this had been sorely tested in recent weeks, and there was apparently strong feeling amongst many of the rank and file that tomorrow's one-day strike should be the last. BR were hoping to run some trains tomorrow, but it was unclear how many would run. Meanwhile, they faced the difficult decision today of what to tell the travelling public. The best hope now was that on Thursday the NUR Executive would decide against calling further strikes;
- (b) on the London Underground, ASLEF had yesterday decided to accept the 8.75 per cent pay offer. However, because of internal politics their public position was that there would be a further one-day strike on Wednesday 2 August. The Executive's great fear remained that if they were thought by their more militant members to have conceded too much too soon, unofficial action might then recur. There were some hopes that the Executive might reach an agreed position in favour of the 8.75 per cent deal in meetings scheduled for the beginning of next week. It was understood that the chairman of the London Underground was meeting the three union General Secretaries concerned privately on Thursday 27 July;
- (c) on the London buses, negotiations to resolve the engineers' dispute continued. The position was confused because of the large number of unions involved including both the TGWU and craft unions. The buses were expected to run tomorrow;
- (d) the by now customary special parking arrangements in London would operate again tomorrow.



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

Local Authority Staff

- (a) the employers' side had met yesterday. They had decided to offer NALGO talks next Monday, but - contrary to expectation - without ACAS involvement. It was understood that the decision had been reached independently by the Labour and Conservative groups on the employers' side, and then confirmed in a joint meeting. NALGO had reacted angrily to the withdrawal of the offer of ACAS involvement, which they regarded as a "betrayal". Clearly both NALGO and the employers were working on the assumption that involving ACAS might lead to the emergence of a more generous pay offer.

Other disputes

- (a) the unions involved in the North Sea Oil dispute had called off the action and asked ACAS to organise a ballot, on the twin issues of pay and trade union recognition. The oil companies were content with this, but it was understood that the contracting employers were unhappy: they wanted to see how many of their workers would accept the current pay offer without pressing for trade union recognition;
- (b) with respect to the ambulance drivers' pay claim, the unions were meeting this morning and were then meeting the employers in the Ambulance Council later today. The unions had already rejected the 6.5 per cent pay offer, and were now quoting the expected police pay award of 9.25 per cent. It seemed likely, therefore, that they would ballot shortly on a campaign of limited industrial action;
- (c) water services' white-collar staff had balloted on a 7.5 per cent pay offer, and the result was expected today. [Since the meeting, we have heard that the offer has been accepted.]

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

*Yours sincerely,
Clive Norris*

CLIVE NORRIS
Principal Private Secretary



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SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . 5803
Telex 915564 Fax 01-273 5821

Secretary of State

Pie Anst²

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Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

mt

24 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: MONDAY 24 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the seventeenth meeting with the broader remit. The Minister of State for Transport and the Minister for Local Government were present.

The key points which emerged are recorded below:

Docks

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- (a) there had been little change on the ground in recent days. There was a key mass meeting of dockworkers at Southampton today: [since the meeting, we have heard that they voted to continue the strike.] The meeting of the TGWU Docks Delegate Conference on Friday 28 July would review the union's stance;
- (b) the drift back to work in former Scheme ports continued. Dockworkers at North Shields had return to work this morning, but at Middlesbrough - where a return to work had seemed a distinct possibility - heavy picketing had discouraged this and the strike remained on. In Scotland, the strike at Ardrossan on the Clyde had ended today, but dockworkers at Grangemouth on the Forth had rejected the new terms and conditions they had been offered locally;



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department - Training Agency
Health and Safety Executive - ACAS



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (c) in total, some 1,800 former registered dockworkers were now working, and a further 2,200 had accepted redundancy.

Transport Disputes

- (a) on the British Rail dispute, both sides were now engaged in a battle for the hearts and minds of NUR members. Both TSSA and ASLEF railwaymen would be working on Wednesday 26 July: the key questions were how many NUR members could be persuaded to work, and how many trains would run. It was also completely unclear what the NUR would do - or what they hoped to achieve - after the next one-day strike on Wednesday;
- (b) the London Underground management had now offered an 8.75 per cent increase to all three unions. It seemed likely that the TSSA and ASLEF would accept the offer, but that the NUR would reject it. It was uncertain whether the TSSA and ASLEF would announce their acceptance just yet; ASLEF, in particular, were concerned that if they announced acceptance this could lead to the re-emergence of unofficial strike action;
- (c) the position on the London buses was that platform staff had accepted a pay deal, but that the bus engineers remained in negotiation.

Local Authority Staff

- (a) despite the continuing reduction in support for the NALGO strike campaign, there were worrying signs that the employers' resolve was now weakening. The next phase of NALGO's campaign was to be a ballot of all the membership in local government on a proposal for four 24-hour strikes in any four-week period; and a second ballot of key staff, seeking their support for indefinite strike action for which they would receive full pay from the union;
- (b) the employers were meeting again today. It seemed likely that they would agree to approach ACAS, seeking an independent chairman for further negotiations with NALGO; that they would increase their pay offer; and that they might remove some of the conditions currently attached to it. This was unfortunate, and in part reflected the somewhat complicated arrangements on the employers' side under which their negotiating team did not have a clear relationship with the main body of employers;
- (c) the meeting noted that NALGO might hit legal problems in seeking to organise selective strike action. Ministers asked for clear and simple advice on the position to be made available to LACSAB.



C.

Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary



Secretary of State
for Employment

A 26(A-P)
cc. Andrew Dunlop
H

PRIME MINISTER

INDUSTRIAL RELATIONS AND TRADE UNION LAW REFORM: PROPOSALS FOR LEGISLATION

I have drawn up proposals for inclusion in the Bill we are to introduce in the autumn following consultation on the Green Paper "Removing Barriers to Employment". Annex A sets out the proposals for which I now seek your agreement to prepare legislation.

Our policy in this area was discussed in February when we decided to publish the Green Paper. The results of the public consultation have been very useful. Some 55 representations were received, from the organisations and individuals listed in Annex B, showing widespread support for legislation based on our published proposals. It is particularly helpful that strong support has been given by employers for the removal of immunity from the organisation of secondary industrial action. Opposition is limited, and in the main from expected sources (ie. trade unions).

Three additional measures included in Annex A, which were not put forward in the Green Paper, are largely technical improvements to the present law. I am considering separately whether further legislative steps are necessary in essential services and on unofficial industrial action, and will write again about this in due course.

B



Secretary of State
for Employment

If legislation is to be ready for introduction at the start of the next Session, it is important to proceed with drafting the Bill as soon as possible. You may therefore feel that my proposals could be cleared by correspondence. If colleagues have difficulties, on the other hand, I should be grateful if they could let me know quickly so that we might discuss them at an early meeting of E(A).

I am copying this letter to the Lord Chancellor, the Attorney General, the Secretary of State for Northern Ireland, members of E(A) and Sir Robin Butler.

N F

23

July 1989

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Secretary of State
for Employment

C

ANNEX A

INDUSTRIAL RELATIONS AND TRADE UNION LAW REFORM
PROPOSALS FOR LEGISLATION

The Green Paper Proposals

1. The following proposals for changes to industrial relations and trade union law were put forward in the Green Paper "Removing Barriers to Employment" (Cm 655) published on 20 March.

Individual right of complaint to an industrial tribunal against an employer who refuses engagement on ground of non-membership of a trade union or of any particular trade union, or on the ground of refusal to agree to become a member after employment has started

Green Paper responses

	Employers/Employers' organisations	Unions	Organisations	Individuals
For	18	4	11	4
Against	3	6	3	1

2. The Green Paper sought views on three specific aspects of the proposal, i.e. that:

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(i) the new right not to be refused engagement on grounds of non-membership of a union should apply to people who are not members of a particular union, or one of a number of particular unions, as well as to people who are not members of any union at all;

(ii) legislation should protect individuals being refused engagement either because they are not members of a union at the time of recruitment or because they refuse to agree at the time of recruitment to join a union after their employment has started; and

(iii) no exception should be made in the case of unions which are also professional organisations (e.g. the British Medical Association and the Royal College of Nursing).

3. Aspect (i) was opposed by two respondents on the basis that employers would no longer be free to arrange recruitment so that their workforce belonged to one favoured trade union, but it received general support and I intend to proceed with it. Aspect (ii) was opposed only by those respondents who did not support any of the aspects of the proposal and there is, therefore, no reason not to pursue it. No arguments were put forward suggesting that the kind of exception referred to in aspect (iii) should be made.

4. Nine respondents, including two (BIM, IPM) who supported the closed shop proposal, argued that our approach should provide a remedy both for individuals who are refused engagement because they are not union members and for those refused because they are union members. This pressure will be reinforced by the ILO's



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Secretary of State
for Employment

recent request for evidence on how we are complying with Convention 98 ("Right to Organise and Collective Bargaining Convention") in this matter. It is, however, apparent that an equivalent right for union members would create an additional burden on business. I have carefully considered the arguments, but believe we should not change our position.

5. The new right would therefore be exercised as follows. An individual who believed he had been discriminated against would be able to complain to an industrial tribunal. If the tribunal found that engagement had been refused on the ground of non-membership, it would make a declaration to that effect. If the employer still refused to engage the individual, the tribunal would be able to order the employer to pay compensation to him. The amount of compensation would be calculated on the same basis as applies to refusal of engagement because of discrimination on grounds of sex or race. The maximum in such cases is currently £8925.

6. The new right would apply to people who are not members of a particular union, or one of a number of particular unions (or of a particular branch or section of a union, or one of a number of such branches or sections), and to people who are not members of any trade union at all. The protection would apply if individuals were refused engagement either because they are not members of a union (etc.) at the time of recruitment, or because they refuse to agree at the time of recruitment to join a union either before or after their employment has started.

Make it unlawful (ie without potential benefit of immunity) to induce industrial action by workers of an employer not party to a trade dispute except in the case of lawful picketing

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Green Paper responses

	Employers/Employers' organisations	Unions	Organisations	Individuals
For	16	4	12	1
Against	2	4	1	-

7. As the present law stands, immunity (ie protection against legal proceedings by employers or others damaged by inducement to interfere with the performance of a contract) can be available in connection with organising certain forms of secondary action. This potential immunity would be removed, except as regards peaceful picketing as the present law allows.

Extend the statutory requirements for union ballots on industrial action so that they would apply to the authorisation or endorsement by a union of industrial action taken by its members working under contracts "for services"

Green Paper responses

	Employers/Employers' organisations	Unions	Organisations	Individuals
For	11	2	9	-
Against	3	6	-	-



Secretary of State
for Employment

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8. The proposed measure would grant to union members doing work under contracts "for services" the same rights as now apply to union members working under contracts of employment as regards ballots on individual action.

Extend the statutory definition of secondary action so that it includes action by those who work under contracts "for services"

Green Paper responses

	Employers/Employers' organisations	Unions	Organisations	Individuals
For	15	4	9	1
Against	2	5	4	-

9. Provisions of the Employment Act 1980 contain a definition of "secondary action", which is expressed in terms of inducement etc. of a person to break or interfere with a contract of employment. The proposed measure would extend this definition so that it covered inducement etc. to break or interfere with the performance of contracts "for services" as well.

Enable the Commissioner for the Rights of Trade Union Members, at the discretion of the assisted person, to appear alongside the assisted person in the title of proceedings

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Secretary of State
for Employment

H

Green Paper responses

	Employers/Employers' organisations	Unions	Organisations	Individuals
For	10	3	8	-
Against	1	2	-	-

10. At present the Commissioner cannot appear in the title of proceedings undertaken with her assistance. The proposed measure would allow this to happen.

Extend the proceedings in scope of the Commissioner's assistance to enable the Commissioner to assist certain proceedings arising from complaints that union rulebook provisions had not been, or will not be, observed where the Commissioner views the complaint as a matter of substantial public interest

Green Paper responses

	Employers/Employers' organisations	Unions	Organisations	Individuals
For	11	4	9	-
Against	2	4	-	-

11. The Commissioner would have discretion, where she views the complaint as a matter of substantial public interest, to grant assistance in connection with High Court proceedings arising from a complaint by a member that his union has failed, or is likely to fail, to observe requirements of its rulebook relating to:

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Secretary of State
for Employment

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- obtaining or nominating candidates for election to union office;
- selection for, election to, or removal from, union office (for example regional, area or branch officials);
- nomination, selection, or election of representatives to attend meetings concerned with union policy and practices (for example, a rules-revisions conference);
- expulsion or other union discipline, or determining the actual disciplinary penalties imposed on union members;
- enabling the union to authorise or endorse industrial action;
- union ballots of members on any issue or matter not covered above;
- applying union funds or property;
- imposing, collecting or distributing strike levies; or
- the composition of union bodies, for example conferences or committees, and procedures to be followed by them in taking decisions.

12. The above list contains the only modification to our published proposals - the addition to the second item of complaints that a union has failed to observe its rulebook requirements in connection with the removal of a person from union office. This addition is supported by the Commissioner.

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Secretary of State
for Employment

J

13. To decide whether the complaint about any of the above matters constituted a matter of "substantial public interest", the Commissioner would be required to take into account whether the award by the court of the remedy sought by the members would be of relevance to other union members. Assistance would be granted only where this criterion was (in the Commissioner's opinion) satisfied.

Three Additional Legislative Measures

14. The three measures described below, which are essentially technical improvements to present law, would give me powers to repeal or amend statutory codes of practice and to extend the existing statutory balloting requirements to cover Northern Ireland members included in a British-based union ballot.

Empower Secretary of State to revoke statutory codes of practice issued under section 3 of the Employment Act 1980 which are no longer relevant or appropriate

15. Section 3(1) of the 1980 Act gives the Secretary of State power to issue codes of practice "containing such practical guidance as he thinks fit for the purpose of promoting the improvement of industrial relations or of promoting what appear to him to be desirable practices in relation to the conduct by trade unions of ballots and elections". Section 3(6) gives the Secretary of State the power to revise all or part of any such code, but no reference is made to power to repeal a code.

16. Codes on picketing and the closed shop have been issued under section 3, and a draft code on industrial action balloting has been published.

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Secretary of State
for Employment

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17. The measure would give the Secretary of State power to repeal any code which appeared to him to be no longer relevant or appropriate to the purposes of such codes as are covered by section 3 of the 1980 Act. The power would be exercised subject to affirmative resolution of both Houses of Parliament. It might be used to repeal the closed shop code of practice, which is largely obsolete because of provisions in the Employment Act 1988 which removed all special statutory support for the closed shop.

Empower Secretary of State to amend statutory codes of practice issued under section 3 of the Employment Act 1980 by means of simpler procedure than provided under current legislation, where such amendment does no more than take account of changes to primary legislation to which any such code relates

18. In order to revise any part of a code issued under section 3 of the 1980 Act, it is necessary to go through the same process as applies in respect of the issue of such a code. The necessary steps include consultation with ACAS, preparation and publication of a draft, consideration of representations on that draft, and seeking approval by resolution of both Houses of Parliament.

19. Codes sometimes quote from primary legislation that may be subject to later amendment. It would be helpful, in order to ensure that codes can be kept up to date in such circumstances, to allow for a somewhat simpler means of revising their relevant passages to take account of such changes.

20. Where such a revision did no more than take account of changes to the primary legislation to which the terms of the code relates, the measure would enable the Secretary of State to revise

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Secretary of State
for Employment

any part of a code issued under section 3 of the 1980 Act by means of laying a revised draft before both Houses of Parliament for approval by resolution. Where more substantial revision was involved, however, the present procedures would have to be followed.

Apply industrial action balloting requirements to any such ballot of Northern Ireland members of a British-based trade union if the union chooses to give entitlement to vote to such members in addition to members employed on the British mainland

21. At present a union may choose whether or not to give entitlement to vote in an industrial action ballot to "overseas" members. Section 11(9) of the Trade Union Act 1984 disapplies the provisions of subsections (1)-(7) of that section in relation to any "overseas" member or in relation to any vote cast by such a member. "Overseas member" is defined as "a member of the union..who is outside Great Britain throughout the period during which votes may be cast"; this would include any such member who was in Northern Ireland.

22. The potential problem the measure would avoid could arise if a union added together votes cast (perhaps in a "branch" ballot) by members in Northern Ireland to votes of members on the British mainland. Union immunity etc. for organising industrial action could be preserved by an overall "yes" vote which incorporated the Northern Ireland "result".

23. The measure would put members of a union who were in Northern Ireland in a different situation from other "overseas" members, but would require the union to have a proper ballot of Northern

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for Employment

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Ireland members only if the ballot concerned also gave entitlement to vote to members in Britain. It thus avoids any problem that might arise in terms of imposing a balloting requirement on Northern Ireland members where a ballot was confined to such members (in which case it would be subject to Northern Ireland legislation). Employers of the union's members in Britain would be assured that any ballot involving its members in Northern Ireland conformed to the standards that would apply if the ballot had been confined to members on the British mainland.

International aspects

24. There are no EC implications or potential adverse consequences in terms of UK obligations under the European Convention on Human Rights. It is likely that there will be claims that the proposals breach ILO Conventions on Freedom of Association and the Right to Organise, but we can counter these. The measures are being considered in the light of these and other relevant treaty obligations.

Public expenditure

25. The impact of the measures on public expenditure has been discussed with Treasury officials. No additional PES provision (in terms of either financial or manpower resources) will be sought. There are no significant value for money considerations.

July 1989

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ANNEX B

EMPLOYERS/EMPLOYERS' ORGANISATIONS (24)

Asda Stores Ltd
Carlsberg Brewery Ltd
British Gas
Post Office
British Coal
Tees & Hartlepool Port Authority
The Unquoted Companies Group
ITV Association
The Confederation of British Wool Textiles Ltd (CBWT)
Co-Operative Union Ltd (on behalf of Co-op Employers' Assn)
Engineering Employers' Federation (EEF)
British Printing Industries Federation (BPIF)
Associated British Ports
The Newspaper Society
The Brewers' Society
Smithfield Market Tenants' Association
General Council of British Shipping
Co-Operative Union Ltd (on behalf of CWS)
Western markets Tenants' Association Ltd
Tobacco Industry Employers' Association
Confederation of British Industry
British Marine Industries Federation
Institute of Directors (IOD)
Unilever

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TRADES UNIONS (12)

Institute of Journalists
Association of Cinematograph Television and Allied Technicians
Federated Union of Managerial and Professional Officers
National and Local Government Officers Assn
Trades Union Congress
Amalgamated Engineering Union
British Actors Equity Association
Scottish Trades Union Congress
Association of Polytechnic Teachers
Council of Managerial, Professional and Allied Staffs (COMPAS)
Federation of Managerial Professional and General Associations
National Graphical Association

ORGANISATIONS (14)

Aims of Industry
The Law Society
Association of British Chamber of Commerce
The Law Society of Scotland
The Institute of Economic Affairs (IEA)
British Institute of Management (BIM)
The Freedom Assn
Mid-Glamorgan County Council
The Industrial Society
Institute of Personnel Management (IPM)
Institute of Practitioners in Advertising
Conservative Trades Unionists
Conservative Trades Unionists (Scotland)
Mrs G Rowlands (the Commissioner)

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for Employment

P

INDIVIDUALS (5)

Mr John Hotchis
Cllr Kath Currie

Mr M Denison CBE
A A Lipinski (Foister & Jagg Ltd)

Simon Olswang & Co



SECRET

Not see by P.M.,
let new articles.
RACG
w/s

PRIME MINISTER

INDUSTRIAL DISPUTES

I attach two notes you may like to glance at:

Flag A - the usual daily monitoring report from the Department of Employment.

Flag B - a further note I asked Richard Wilson to prepare summarising both current and prospective industrial action. I thought this would be useful in the light of the discussion at Cabinet yesterday which revealed a number of further areas of possible action, e.g., ambulances and Heathrow firemen.

Richard's note reports in the covering minute the latest position on NALGO strike plans. One further piece of late news, updating the Flag A note on the Underground dispute, is that I gather Underground Management decided today not only to make the offer of 8.5 per cent, but to go further and offer 8.75 per cent. As I understand it, this higher figure is payable immediately, but back dating to April would only be paid once the unions agreed to call off strike action. Messrs. Fowler and Channon pointed to the risks in this approach, but Wilfred Newton, Chairman of LRT, decided nonetheless to go ahead. He apparently hopes that, as with BR, he will be able to get ASLEF and TSSA to accept, thereby isolating the NUR.

RACG.

PG

21 July, 1989.



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SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . 5803
Telex 915564 Fax 01-273 5821

Secretary of State

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

21 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: FRIDAY 21 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the sixteenth meeting with the broader remit. The Secretary of State for Transport was present.

The key points which emerged are recorded below:

Docks

- (a) dockworkers at Goole had returned to work today, as expected. There had nonetheless been a slight fall in the number of formerly registered dockworkers at work, because a firm at Grimsby employing 200 of them had gone into liquidation. However, more than 25 per cent of those formerly registered dockworkers who remained in the industry were now working;
- (b) there had been some unpleasant incidents yesterday at Garston, apparently involving pickets from Liverpool. The local police had matters in hand, but had advised that some of the reports had been exaggerated;



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department · Training Agency
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Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

B

- (c) the TGWU had scheduled meetings of its Docks and Waterways Group and of its Docks Delegate Conference, both for next Friday, 28 July, to review the situation. It was known that they were worried about the falling support for the national strike, and they would be particularly concerned at reports that some dockworkers at Southampton were considering a return to work at this key port;
- (d) this morning's BBC Radio "Today" programme had carried a detailed report on the increased flow of imports through the Scottish ports of Invergordon and Scrabster. There was therefore a possibility that the TGWU might renew their earlier threats to try to disrupt this traffic.

Transport Disputes

- (a) in a highly significant move, Mr Kinnock had last night reportedly called upon the NUR to end their strike campaign and accept the management's 8.8 per cent pay offer. He had apparently said that it was clear that no more money was available. This seemed to have caught both the NUR and, indeed, Labour's Transport spokesman by surprise. The NUR Executive were now engaged in consulting their members in the regions over the weekend, and would be meeting on Monday to decide what to do next. There was as yet no sign that they might call off the strike scheduled for Wednesday 26 July;
- (b) after some 2 months of virtual inactivity, negotiations on the London Underground dispute had resumed yesterday. A series of discussions, both official and unofficial, were now underway. The management had yesterday offered an 8.5 per cent increase on basic pay, and had said that further money might be available through self-financing productivity deals. The position was complicated by the fact that, as in the BR dispute, the 3 unions involved did not have a common position. In particular, ASLEF and the NUR were rivals for the loyalties of Underground drivers. Again, as in the rail dispute, the TSSA and ASLEF seemed readier to settle than were the NUR.

Local Authority Staff

- (a) there had been informal talks yesterday between a small number of employer and NALGO officers. The employers had said that they were prepared to recommend to the full-scale LACSAB meeting on Monday 24 July that formal negotiations with NALGO be resumed, perhaps with ACAS as conciliators, but only provided that there were no preconditions. However, the



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

NALGO position remained that negotiations could only reopen if the employers agreed to drop the idea of negotiating local pay and flexible working arrangements. It was far from clear, therefore, whether the union would agree to negotiations on this basis, nor was it clear whether Monday's employers' meeting would support the proposal. Despite these doubts, the employers' suggestions had been widely reported as a "breakthrough";

- (b) NALGO were now considering their tactics. It seemed likely that their next steps would be to ballot all their members on a series of national one-day strikes, and in addition to ballot selected key staff - for example computer staff - on selective strikes, which might be indefinite and for which strike pay would be made available. The meeting noted that it might be difficult for the union to obtain a majority for further national action or to mount lawful selective strikes on the lines envisaged, because the 1988 legislation laid down rigorous criteria to ensure that only those workers who were being called out on selective strikes were able to vote in the ballot.

Other Disputes

- (a) the Department of Energy confirmed that the offshore oil maintenance dispute was now spreading to onshore installations. That said, it had still had no discernible effect on production, though there might be long-term effects because of disruption to maintenance schedules. The dispute was unofficial, and the background was extremely complex, reflecting the complex structure of the industry;
- (b) the meeting noted that the recent ICI settlement of 9.6 per cent on basic pay might be seen as a new target for other workers.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary

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SECRET AND CMO UNTIL 31 DECEMBER 1989

B
B

CONFIDENTIAL

From: R T J Wilson
21 July 1989

MR GRAY

P 03519

INDUSTRIAL DISPUTES

1. You may find it helpful to have the attached summary of current and prospective industrial action. We have just heard that NALGO are planning two further strike ballots. In the first, 25,000 staff in key posts will be asked to take all-out indefinite action, on the understanding that NALGO would reimburse their full normal pay. The second ballot will be of all NALGO members in the relevant grades, and would be for four 24-hour strikes in every four-week period.

2. It is noticeable that many of the industrial disputes, other than in the docks, tend to take the form of 24-hour strikes rather than all-out action. We have contingency plans to cover a number of them (summary also attached) and will continue to keep a watch on developments. But for the moment it looks as though the danger is more that an impression of widespread industrial action will be created and that pay settlements will rise, rather than that there will be a direct threat to the essentials of life.

R.T.J.

R T J WILSON

CONFIDENTIAL

CURRENT AND IMPENDING DISPUTESA. CurrentDocks

Approaching a half of ex-scheme ports and over a quarter of the remaining former registered workers are now working. The strike is crumbling and becoming increasingly ineffective but is not yet over with some large, traditional ports like Tilbury, Mersey and Southampton still not working. Things will get better not worse in future.

Railways

We may be back to once a week stoppages on the railway network for several weeks. Escalation most unlikely unless British Rail start suspending strikers or taking other action to close the network themselves.

London Underground

Disputes about general pay levels, pay for one person operation and working practices continue. Unlikely to be settled until British Rail dispute over - but action limited to once a week stoppages.

London Buses

Drivers and conductors have just voted to accept 8.4% (they present it as over 9% by including their estimate of the additional costs of things such as health testing). Maintenance staff have not settled and a further one day stoppage by them is scheduled for first week of August (the last one affected 60% of services). More chance of settlement now drivers and conductors settled.

Local authority white collar staff

NALGO have been striking against 7% pay offer. Their ballot authorised only 6 days of strikes. These completed on 20 July. Support has been declining generally on each successive day. Originally only about a quarter of those in the grades concerned voted to strike; less than half have actually struck. NALGO's next move likely to be a ballot for selective action on an area or key establishment basis; they could not be confident of a majority for more extensive national action.

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Heathrow
firefighters

88 firemen at Heathrow have been working to rule since 13 July in an unofficial dispute in which they are seeking a pay review before existing agreement ends. Further talks involving an EETPU full time official arranged for 24 July. Management reasonably confident of resolving the issue. In any case fire officers are expected to maintain the cover necessary to keep the airport operating.

North sea oil
platforms

Unofficial action by off-shore contractors now taking place. Frequent 24 hour stoppages and occasional "sit ins". Attempt to get Court to order end to sit in so far failed. Action spreading to on-shore terminals (St Fergus). Main issue is not pay but union involvement which oil companies oppose more than the contractor companies. Union emphasising safety aspects following Piper Alpha. Its the maintenance season and production not hit but maintenance programmes have been set back.

BBC

Pay dispute. Package worth 9%-13% offered. Strikes of up to 24 hours continue. One scheduled for 21 July. Impact more on BBC than on public.

Steel Erectors

Unofficial action by 800 to 1,000 steel erectors in London appears to be over. The AEU have told all the men concerned to return to work. Normal working expected to start next Monday.

B. Impending action

Engineering
Industry

As part of 1988 claim unions seeking 35 hour week without strings. Unions have targeted 12 of the most prominent engineering companies for industrial action. Ballots will be needed in individual workplaces and results not expected before late August. Large question mark over willingness of rank and file to strike for a 35 hour week. If they did it could lead to end of national bargaining in Engineering.

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Ambulance
staff

6.5% pay offer has been rejected in ballots. Unions concerned meet 25 July before meeting employers on same day. Likely to be ballot on industrial action short of all out strike (eg overtime ban, refusal to do paper work). Action unlikely before second half of August. Even limited action could give incidents of great media interest.

Water service
white collar
staff

Ballot for overtime ban and 24 hour stoppages follows rejection of 7½% pay offer. Result expected any time. Any impact would be on finances rather than services.

Local authority
manual workers

This very large group (lm.) are looking for a big increase this year in the light of last year's 5.6%. They will be negotiating against the background of this Summer's disputes and likely very large settlements at Fords and Vauxhalls and increases of 9½ per cent for police under the Edmund Davies formula.

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CONTINGENCY PLANS IN RELATIONS TO CURRENT & PENDING INDUSTRIAL DISPUTES

1. Of the current disputes listed there are Military Assistance to Civil Ministries (MACM) plans in existence for:

i. The Docks Plan HALBERD has been revised and was re-issued in May this year. There seems little current prospect of the plan being required.

ii. Fire Fighting Plan PUNTER was revised last year and re-issued in December 1988. It provides for emergency fire cover involving minimum training. The plan does not include fire fighting cover for civil airports. This is a highly specialised task for which lengthy training is required. Both the Royal Navy (RN) and Royal Air Force (RAF) have personnel trained to fight aircraft fires, they provide fire cover at RN and RAF airfields. Any service airfield from which fire cover was removed would have to cease flying.

2. In relation to impending disputes the following MACM plans exist:

i. Ambulance Staff There are two plans: HAMISH calls for servicemen to drive white NHS ambulances, ORDERLY calls for service owned and

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driven ambulances to provide emergency cover. HAMISH would require some 4,300 service personnel to drive up to 1,082 NHS ambulances, ORDERLY calls for just over 2,000 personnel to drive 501 service ambulances. ORDERLY has been implemented in part twice in the last seven years and has been preferred to HAMISH in view of the high technology equipment carried by NHS ambulances which few servicemen are trained to use. Both plans were issued in November 1987 and will be due for routine review in 1990.

ii. Water Services Plan CESTUS provides for servicemen to assist with the provision of emergency water supplies and repairs. It was issued in September 1986 and is due for revision this year. Servicemen stood by during the water workers' strike in 1983 but not deployed. It seems this plan is unlikely to be needed for the white collar staff dispute.

3. Local Authority Manual Workers There is no formal MACM plan but servicemen were deployed to clear garbage which had become a health hazard in Glasgow in 1975. It would not be practicable to clear all garbage country wide by using servicemen but deployment to selected areas could be considered and implemented by "hot planning". Most local authorities are believed to have their own contingency plans for industrial action by their manual workers. There is, however, a MACM plan HORNBLOWER to assist in gritting/salting certain roads in severe winter weather, using D.Transport owned equipment. The plan was issued in August 1987.

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→ PM



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SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . 5803
Telex 915564 Fax 01-273 5821

Secretary of State

Prime Minister

*Recd
20/7*

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

[Handwritten mark]

20 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: THURSDAY 20 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the fifteenth meeting with the broader remit. The Minister for Local Government and the Parliamentary Secretary at the Transport Department [Lord Brabazon] were present.

The key points which emerged are recorded below:

Docks

- (a) yesterday, the ports of Grimsby, Immingham, Boston and Barrow had returned to work; Goole had returned to work this morning. The ending of the dock strike at Grimsby and Immingham was highly significant, because it was the first of the larger ports where support had hitherto been solid to end strike action. Dundee dockworkers had met yesterday and decided to remain on strike, but it was thought that they would probably return to work if the negotiations currently underway in the Forth ports were successful;



SECRET AND CMO UNTIL 31 DECEMBER 1989

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Secretary of State
for Transport

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (b) some 2,000 formerly registered dockworkers - over 25 per cent of those who remained in the industry - were now at work. 26 former Scheme ports were now working; 6 were partially open; and some 15 remained closed due to the dock strike. Mr John Connolly, the TGWU National Ports Officer, had told journalists that support for the strike could crumble too far for them to hold out, though he was not yet conceding defeat;
- (c) the union's Docks Delegate Conference was meeting today, in an attempt to bolster support for the strike.

Transport Disputes

- (a) last night, the NUR Executive had voted unanimously for a sixth one-day national strike next Wednesday, 26 July. This had widely been reported as a quite astonishing decision. They had explained that their main reason was that they sought more than BR's final offer of 8.8 per cent on basic pay, but they were also making great play of the alleged low pay and the long hours worked on the railways, and were seeking to forge a link with the Clapham train disaster. They had not responded to BR's specific offer of renewed talks on bargaining machinery once the threat of strike action had been lifted;
- (b) BR - and Sir Robert Reid in particular - had been briefing the press extensively. They had sought to correct the misleading information supplied by the union on basic rates, and had stressed that the 8.8 per cent pay offer was final. The management had recently written three times direct to individual railwaymen and seemed likely to do so again shortly. Local managers were also being briefed to talk to their staff;
- (c) on railwaymen's pay, the meeting noted that no regular BR employee working a normal week received less than £116.90, though not surprisingly there were some trainees on lower rates. Furthermore, fewer than 5,000 of BR's 120,000 staff were paid on this basic scale, and even for these 5,000 actual earnings were substantially higher than basic pay;
- (d) though this dispute had proved unpredictable, it was difficult to see how the situation might change between now and next Wednesday's strike;
- (e) the emergency parking arrangements in London would operate again next Wednesday;



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (f) on the London Underground, management and unions were meeting today. There was a widespread expectation that the management would offer a higher increase on basic pay - of 8.5 per cent - though there was no reason to think that the unions would accept this. It was important to note that Underground staff were already better-paid than BR staff;
- (g) on the London Buses, platform staff - who had been holding 24-hour stoppages - had voted strongly in favour of the 8.4 per cent pay increase; the engineering staff remained in dispute.

Local Authority Staff

- (a) reports from the regions showed that this week, in comparison with last week, there was significantly less support for the strike in the South and Midlands; in most other regions, the position seemed little changed from last week, though there were signs of some increase in support for the strike in South Wales;
- (b) the Secretary of the Employers' side [LACSAB] had written to all local authority chief executives. He had stressed that the current offer was the final one. He had explained that the sole purpose of today's small meeting with union representatives was to exchange views, and not to negotiate. He had set out some of the key facts about the impact of the strike, which had been much exaggerated by NALGO, and pointed out that very few local authorities had so far broken ranks and negotiated local deals. The meeting noted that there had been far fewer local deals than had at first been feared;
- (c) NALGO were meeting tomorrow to consider how to pursue their campaign. They faced real problems. Their assessment was that they could not secure their members support for an all-out national strike, but their difficulty was that the areas in which they could expect most support for selective strikes [essentially, the larger Labour authorities in the North] were precisely those areas in which the employers faced the least problems in recruiting and retaining staff at current pay levels. The areas - largely in the South - where employers might most easily see the arguments in favour of higher pay were those in which the union's members had proved most reluctant to strike.

Other Disputes

- (a) the unofficial strike of London steel erectors had now ended. This was an interesting case, because it was apparently pressure from the union concerned (the AEU) which had persuaded the shop stewards who had organised the action to end it and stick to the existing national agreement;



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (b) there were worrying signs that the continuing disputes amongst North Sea Oil maintenance staff might now be spreading, both to onshore staff and to staff employed by sub-contractors. The dispute was not over pay, but over trade union recognition and safety. While production had as yet not been affected, Ministers asked for a situation report from the Department of Energy.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary

R E S T R I C T E D

FROM: S R BRAMALL
PORTS
20 July 1989

APS/Secretary of State

cc: PS/Minister of State	PS/Secretary of State (DEmp)
PS/Lord Brabazon	PS/Secretary of State (W.O.)
PS/Sir Alan Bailey	Mr Whybrew (DEmp)
Mr Sunderland	Brig. Budd (Cabinet Office)
Mr Noulton	Mr Rhodes (Home Office)
Mr Lyness	Mr Spivey (DTI)
Mr Crane	Mr Cassell (MOD)
Mr Fells	Mr Meekings (MAFF)
Mr Kitchen	Mr Mortimer (Treasury)
Miss Samuel	Mr McConnell (N.Ireland)
Miss Buchanan	Mr Burnside (Scottish Office)
Miss Russell-Smith	Mr Atkinson (DEn)
Mr Findlay (Ports Off.Scotland)	Mr Hadfield (W.O.)
Mr Mullock	Ms Bryant (DEmp)
Mr Jinks	
Duty Officer	

DOCKS DISPUTE: SIT REP FOR 20 JULY 1989

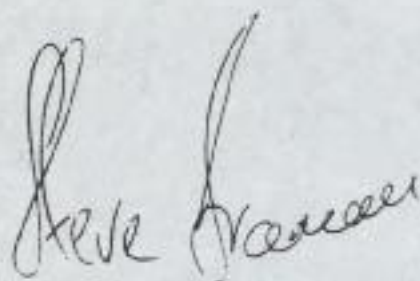
1. There have been few developments since yesterday. The expected return of the ABP dockers at Goole duly took place, and over 23 more dockers returned to work at Hull. Meetings are taking place at Sharpness and Sunderland but we have no news yet of their outcome.

2. Although Tees and Hartlepool is on strike, the management are able to handle some cargo: a container ship is being unloaded today and grain is being prepared for shipment on Monday. The management of British Steel are also continuing to unload a large bulk carrier for its power station at Redcar.

3. The current position can be summarised as follows:

No. of ex-RDWs working	1823
No. of ex scheme ports working normally	26 *
No. of ex scheme ports partially working	6
No. of ex scheme ports closed	15

Although there are a few more ex-RDWs back at work for the first time today the actual net number now working is less than yesterday due to a number of further redundancies. In particular, John Sutcliffe Consolidated Stevedores in Grimsby yesterday went into liquidation and made all of its dockers redundant. The company employed about 200 RDWs.



S R BRAMALL
PORTS
1/10 Sunley House
Ext.3259

20 July 1989

* The number of ports working yesterday was 25, not 26 as reported; apologies.

FORMER SCHEME PORTS
WORKING NORMALLY: 20 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>FORMER RDWs</u> <u>WORKING</u>	<u>COMMENT</u>
Aberdeen	A number of private companies including P&O and a new co-operative established by former RDWs	Unclear	
Ayr	Associated British Ports	--	All former RDWs made redundant. Dock work carried out by non-RDWs
Barrow	J Fither and Son	8	
Barry	Associated British Ports	44	
Boston	Boston Borough Council	87	Returned 19.7.89
Cardiff	Associated British Ports	--	All former RDWs made redundant.
Chatham	Crescent Shipping	51	Returned 17/7/89
Fowey & Par	English China Clay.	--	All former RDWs redundant.
Goole	Associated British Ports Limb and Co	63 29	
Great Yarmouth	Great Yarmouth Port Labour Co.	101	
Grimsby and Immingham	Exxtor Group Ltd British Steel/British Coal Lindsay Dock Services General Workers Stevedores Associated British Ports	150 83 91 21 10	
Ipswich	Ipswich Port Authority		88 ex-RDWs still on strike. Non-RDWs returned to work after 24 hour stoppage.
Kings Lynn	Associated British Ports	13	Returned to work 1.00pm 13/7/89.
Newport	Associated British Ports; BMB Forest Products Ltd.	91 22	

Penzance	Isles of Scilly Steamship Co.		11	
Plymouth	Associated British Ports;		3	
	Cattedown Wharves Ltd;		5	
	Bayley Bartlett Ltd;		2	
	Escombe Lambert Ltd.		9	
Poole	Poole Harbour Commissioners		100	Returned 18/7/89
Port Talbot	British Steel Corporation.		44	
Ridham, Sittingbourne	Independent Sea Terminals Ltd.		29	
Sheerness	Medway Port Authority.		371	
Swansea	Associated British Ports; Dragon Shipping.	8	--	All former ABP RDWs made redundant.
Silloth	D A Harrison		3	
Weymouth	Sealink UK Ltd.		11	
Rochester	Anglo Sped Ltd, Stanley Wharf.		8	
Rochester	Shiplink Ltd, Limehouse Wharf.		55	
Rochester	Transit Freight		55	
Rochester	Britholdings Ltd		15	

ANNEX B

FORMER SCHEME PORTS
PARTIALLY WORKING: 20 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>NO. OF EX-RDWs ON STRIKE</u>	<u>NO. OF EX-RDWs WORKING</u>
Blyth	Blythe Harbour Commission	39	12 (coal trimmers)
Garston	Associated British Ports	All RDWs redundant	
	Mersey Container Terminals Ltd	29	--
Hull	North Sea Ferries	--	89
	Associated British Ports	273	16
	Montague & Meyer	--	10
	Gilliot and Scott	6	1
Manchester Ellesmere Port	Manchester Ship Canal Co	All RDWs redundant	
	Manisty Wharf	38	--
	Cawoods Container Services	--	14
Manchester Salford	Manchester Ship Canal Co	28	--
	Trafford Park Stevedores	5	--
Manchester Runcorn	Manchester Ship Canal Co	9	--
	W. H. Stott	All men redundant	
Manchester Weston Point	Ocean Port Services	17	--
Sharpness	British Waterways Board	29	--
	Trent Wharfage Ltd	--	7
	Coopers Metals	--	5
Tyne	Port of Tyne Authority	88	--
	DFDS Ferries	--	19

ANNEX C

FORMER SCHEME PORTS NOT
WORKING: 20 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>NO. OF RDWs</u> <u>Approx.</u>	<u>COMMENT</u>
Bristol	Bristol Port Authority and private employers	450	Bulk oil ships discharging normally. Picket line. Car transporters not crossing picket line. 2 private operators working with 9 ex-RDWs.
Clyde (except Hunterston)	Clyde Port Authority	137	Pickets at Glasgow, Hunterston and Greenock. But Hunterston is on 3 weeks holiday.
Dundee	Dundee Port Authority	96	
Falmouth	Falmouth Harbour Commissioners.	7	
Fleetwood	Associated British Ports	44	
Forth (all 5 ports)	Forth Ports Authority	265	Pickets at Leith.
Liverpool	Mersey Docks and Harbour Co. and all private operators.	1,000 (approx)	Pickets. 5 ships in port.
London	Tilbury. (Container Terminal and Con- ventional Wharves)	1,000 (approx)	38 working at Erith wharf and 10 for Tilbury Container Services.
	Most other private Wharves	187	
Lowestoft	Small & Co.(Shipping)Ltd	9	Expected to return to work shortly.
Seaham	Seaham Port Authority	16	
Southampton	Associated British Ports	545	Pickets.
Sunderland	Port of Sunderland Authority.	31	

Tees and Hartlepool	Tees and Hartlepool Port Authority; Bell Containers; ICI Ltd; BSC Redcar.	) ) ) ) )	488	Pickets.
Whitehaven	Whitehaven Harbour Commissioners.		16	
Workington	Cumbria County Council.		16	

CONFIDENTIAL



THE DEPARTMENT OF TRANSPORT



*copy
ce back
up*

*Ambulance down 8.5.89
7.5.89*

FROM THE SECRETARY OF STATE

2 MARSHAM STREET LONDON SW1P 3EB
TELEPHONE 01-276 3000

Paul Gray Esq
Private Secretary
10 Downing Street
LONDON
SW1A 2AA

Prime Minister

My Ref:

Mr. Clarke will

Your Ref:

*rept on the latest pattern on the various
transport disputes at Cabinet. mk*

Recd 19 JUL 1989
19/7

Dear Paul

PUBLIC TRANSPORT STRIKE - 18 JULY

My Secretary of State thought the Prime Minister and other members of MISC 139 would once again be interested to have a report on traffic conditions and the use of emergency parking measures organised for yesterday's one-day public transport strike in London.

The amount of traffic entering London from 5.30 am was similar to last week, although the pattern was variable. There was a particularly heavy build-up of traffic on the roads from the East. On the roads from the South, the build-up occurred rather later than last week. On the whole, congestion in central London continued later into the morning than previously. Matters were made worse by an accident in Parliament Square and two burst water mains in the King's Cross and Holborn area. In the afternoon, traffic leaving London built up from 3 pm. The peak times varied across the capital, but lasted more than four hours everywhere.

Full use was made of the parking places in the Royal Parks and associated roadways. Use of the Park and Ride scheme in White City was up by 30%, with some 163 vehicles using the site - but this is still less than 20% of capacity. The Park and Sail site at Greenland Quay attracted only 130 vehicles, compared with around 200 last week. However, the associated riverbus service was very well used by pedestrians.

As you will know, ASLEF have reached agreement with BR over pay and have called off their ban on overtime and rest day working. The NUR have rejected BR's offer and intend to continue their industrial action: they have declared that they will strike again next Wednesday, 26 July. There will also be a strike on the Underground on the same day.

2000 new wraps.

*-26 normally
7 partially
Innovation / Crisby*

CONFIDENTIAL

15 - Tilling, Southampton Liverpool

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We shall be making the same provisions for emergency car-parking as for yesterday. We shall give further publicity this time to car-sharing and the safety of pedestrians and cyclists.

I am sending copies of this letter to Alex Allan (Treasury), Colin Storr (Home Office), Brian Hawtin (Defence), Clive Norris (Employment), Neil Thornton (Trade & Industry), Shirley Stagg (MAFF), Stephen Catling (Lord President's Office), Stephen Haddrill (Energy), Michael Saunders (Attorney General's Office) and Trevor Woolley (Cabinet Office).

Yours

Neil

N T E HOYLE
Private Secretary

CONFIDENTIAL

→ FA

23a - eCopy 1 of 18



SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 5803
Telex 915564 Fax 01-273 5821

Secretary of State

Prime Minister 2

REC
14/7

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

MS

19 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: WEDNESDAY 19 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the fourteenth meeting with the broader remit. The Minister for Local Government and the Parliamentary Secretary at the Transport Department [Lord Brabazon] were present.

The key points which emerged are recorded below:

Docks

- (a) yesterday, just over 1,400 formerly registered dockworkers were at work, representing 20 per cent of formerly registered dockworkers who had not taken up severance offers and also twice the number who had been at work on the first day of the strike. Some of those who had returned to work had done so under threat of dismissal, but it seemed that this had sometimes been a device to facilitate a return to work by strikers who in any case wished to return. [Since the meeting, we have learnt that a total of 1,850 formerly registered dockworkers are now working, 25 per cent of the total number of the remaining dockworkers previously registered under the Scheme];



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department - Training Agency
Health and Safety Executive - ACAS



6

I believe
Hull have
also voted
to return.
Pace

- (b) there was evidence that the pace of the return to work had quickened substantially this morning. A large scale return to work had taken place at Grimsby and Immingham, and this might well encourage dockworkers elsewhere on the Humber to return to work. Dockworkers at Barrow had also returned to work today. Dockworkers at Dundee were expected to return today, because their employer was losing so much business. There were also reports that the Forth ports, including Leith and Grangemouth, would be working normally by the end of this week;
- (c) in short, 24 [latest news: now 25] former Scheme ports were now working. Even those ports which were strike bound were often able to handle cargo, for example, through the use of unmanned high technology unloading methods, or by using staff other than formerly registered dockworkers;
- (d) despite the apparently accelerated return to work, the expected increase in picketing had not yet materialised. At Grimsby and Immingham, heavy picketing had been expected today, but there were no pickets at all. At Lowestoft, pickets from Tilbury had been ejected from the premises. There were reports of intimidation of working dockworkers, but there had been no recent violence;
- (e) the TGWU were clearly concerned about the crumbling support for the strike, and would use a National Docks Delegate Conference tomorrow to try to rally their supporters.

Transport Disputes

- (a) British Rail had received the NUR's formal response to their final pay offer at 4:19 yesterday afternoon. The NUR letter had said that they wanted further talks on low pay and on long hours; that they could not accept some aspects of the Board's proposals for new bargaining arrangements; and that they wished the existing bargaining machinery to remain in force until new arrangements were agreed - which, in practice, might of course mean indefinitely;
- (b) the BR Board had met yesterday. They had issued a brief statement to say that they were considering the NUR letter; and that 8.8 per cent on basic pay was their final offer. This stance was entirely reasonable, and had been widely reported as being so. At their meeting, the Board had also taken the view - but not announced - that they would not resume the talks on new bargaining arrangements until the NUR had lifted its threat of further strikes. They were alive to the danger that if they made such an announcement before the NUR decided whether or not to continue their strike campaign, the NUR might use this as an excuse for calling further strikes. [Since the meeting, this announcement has now been made];

NUR has
now called
another
strike for
next Wednesday.

PCC.



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (c) some 5,000 NUR members had worked during yesterday's strike, about the same number as during last week's strike. There were reports that NUR members were perplexed: they could not understand what their Executive were doing, but there was enormous residual loyalty towards the union;
- (d) Ministers noted that misleading union statements about the alleged low pay of their members had as yet not been countered effectively in the press. It was important that BR explained the true position to the public, and that Ministers were also well briefed;
- (e) there had been a total close-down of the London Underground yesterday. ASLEF had called a further one-day Underground strike for next Wednesday, 26 July, and the NUR were expected to join in. The management and unions were meeting tomorrow: their first formal discussions for some two months. ASLEF's confidence had clearly been boosted by what they regarded as a very good outcome to the BR dispute, and they were seeking to build quickly upon this. That said, there seemed little prospect of an early settlement, because the union demands were extravagant;
- (f) the emergency parking arrangements in London had worked very smoothly again yesterday, and would remain open next Wednesday;
- (g) on the London Buses, the results of the recent ballot of platform staff were due today. They had been offered an 8.4 per cent pay increase, though the unions had presented this as 9.1 per cent by including in the calculation some non-financial benefits. The management expected a narrow majority in favour of acceptance;
- (h) London Bus engineers were still in dispute, and this had led to disruption of bus services on both Monday and Tuesday this week. They were seeking a 10 per cent pay increase, and had been offered 8.3 per cent. Another strike was scheduled for the week after next, but might be brought forward to next week.

Local Authority Staff

- (a) reports from the regions were still coming in, but it seemed clear that support for the NALGO strike campaign was falling. In the London area, support for the strike amongst NALGO members had been 40 per cent in week one, 35 per cent last week, and was down to 30 per cent this week;



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (b) this suggested that NALGO would find it impossible to secure their members' support for an all-out national strike. It was therefore expected that they would instead be balloting their members on a regional basis, seeking a fresh mandate for a campaign of guerilla strike action. Depending on the precise form of the strike campaign envisaged, NALGO might have to secure a majority of those employed in every workplace where they planned a strike. This could be very difficult for the union, although they would clearly aim to target their strike call on those localities and those kinds of workers who they would expect to support it;
- (c) the employers [LACSAB] were meeting NALGO tomorrow. It was to be hoped that LACSAB would remain firm in their view that they could not afford to increase their pay offer, but their behaviour was unpredictable, and Labour local authorities were in the majority. A further LACSAB meeting, without the unions, was planned for Monday 24 July;
- (d) meat and poultry inspections remained an area of potential concern. Though most slaughter-houses were continuing to function on strike days, it was clearly harder to do so when the strikes lasted more than one day. This week, one Midlands' slaughter-house had been forced to close. MAFF were keeping the position under review, in liaison with the Department of the Environment. It was understood that the National Federation of Meat Traders were contemplating legal action against one local authority which, in their view, had failed to implement appropriate contingency arrangements.

Other Disputes

- (a) it had been announced yesterday that a ballot of ambulance men had led to an overwhelming rejection of their current 6.5 per cent pay offer. The unions concerned, [mainly* NUPE, but also COHSE and the GMB] were meeting next Tuesday, 25 July, and would then be meeting the employers in a Whitley Council later that day. In the light of that meeting the unions would be deciding whether to ballot their members on industrial action. At present, they were not talking about an all-out national strike, but action well short of that could lead to a noticeable deterioration in the quality of service;

*NUPE : National Union of Public Employees
COHSE : Confederation of Health Service Employees
GMB : General Municipal Boilermakers Union



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (b) the dispute involving North Sea maintenance staff continued. The issues were pay and trade union recognition. Talks were being held, and as yet production had not been affected. The meeting noted also the continuing unofficial strike amongst London Steel erectors; the possibility of a highly disruptive campaign of selective industrial action in the engineering industry, though probably not before September; and the by now traditional threats of industrial action during the holiday peak amongst Heathrow firefighters.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary

SRB

R E S T R I C T E D

FROM: S R BRAMALL
PORTS
19 July 1989

APS/Secretary of State

cc: PS/Minister of State
PS/Lord Brabazon
PS/Sir Alan Bailey
Mr Sunderland
Mr Noulton
Mr Lyness
Mr Crane
Mr Fells
Mr Kitchen
Miss Samuel
Miss Buchanan
Miss Russell-Smith
Mr Findlay (Ports Off.Scotland)
Mr Mullock
Mr Jinks
Duty Officer

PS/Secretary of State (DEmp)
PS/Secretary of State (W.O.)
Mr Whybrew (DEmp)
Brig. Budd (Cabinet Office)
Mr Rhodes (Home Office)
Mr Spivey (DTI)
Mr Cassell (MOD)
Mr Meekings (MAFF)
Mr Mortimer (Treasury)
Mr McConnell (N.Ireland)
Mr Burnside (Scottish Office)
Mr Atkinson (DEN)
Mr Hadfield (W.O.)
Ms Bryant (DEmp)

DOCKS DISPUTE: SIT REP FOR 19 JULY 1989

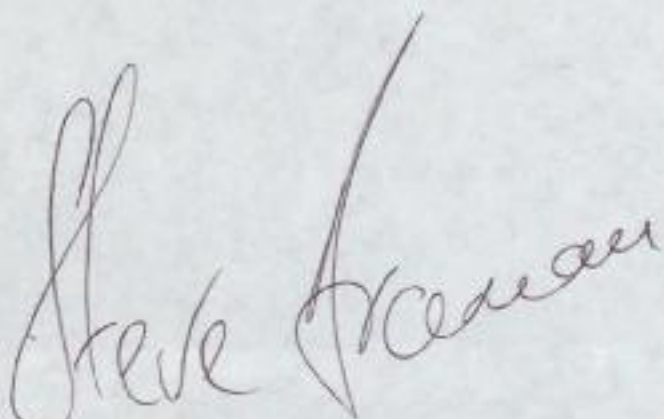
1. There have been a further significant return to work today, with an extra 487 ex-RDWs back for the first time since the strike started. This has mainly been at Grimsby and Immingham where the ports are now working normally. The ex-RDWs who work for Cawoods Container Services Ltd on the Manchester Ship Canal have also returned to work today (Cawoods had originally been working normally until pressure from pickets persuaded the men to walk out). The 87 ex-RDWs of Boston and the 8 ex-RDWs at Barrow have also returned.

2. In addition the ABP dockers at Goole have voted to return to work tomorrow. A mass meeting is to take place tomorrow at Sunderland and at Dundee on Friday.

3. Given that an increasing number of ports have part of their workforce working I have produced a further list (Annex B) which shows those ports which are partially working. Annex A lists those working normally and Annex C those not working. The current position can be summarised as follows:

No. of ex RDWs working	1905
No. of ex scheme ports working normally	26
No. of ex scheme ports partially working	7
No. of ex scheme ports closed	15

The number of men back represents over 25% of the ex-RDWs workforce after taking account of redundancies (now at about 1,800).



S R BRAMALL
PORTS
1/10 Sunley House
Ext.3259

19 July 1989

FORMER SCHEME PORTS
WORKING NORMALLY: 19 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>FORMER RDWs</u> <u>WORKING</u>	<u>COMMENT</u>
Aberdeen	A number of private companies including P&O and a new co-operative established by former RDWs	Unclear	
Ayr	Associated British Ports	--	All former RDWs made redundant. Dock work carried out by non-RDWs
Barrow	J Fither and Son	8	
Barry	Associated British Ports	45	
Boston	Boston Borough Council	87	Returned 19.7.89
Cardiff	Associated British Ports	--	All former RDWs made redundant.
Chatham	Crescent Shipping	51	Returned 17/7/89
Fowey & Par	English China Clay.	--	All former RDWs redundant.
Great Yarmouth	Great Yarmouth Port Labour Co.	101	
Grimsby and Immingham	John Sutcliffe Consolidation Stevedores	162	
	Exxtor Group Ltd	150	
	British Steel/British Coal	83	
	Lindsay Dock Services	91	
	General Workers		
	Stevedores	21	
	Associated British Ports	10	
Ipswich	Ipswich Port Authority		88 ex-RDWs still on strike. Non-RDWs returned to work after 24 hour stoppage.
Kings Lynn	Associated British Ports	13	Returned to work 1.00pm 13/7/89.
Newport	Associated British Ports;	96	
	BMB Forest Products Ltd.	22	
Penzance	Isles of Scilly Steamship Co.	11	

Plymouth	Associated British Ports;	3	
	Cattedown Wharves Ltd;	5	
	Bayley Bartlett Ltd;	2	
	Escombe Lambert Ltd.	9	
Poole	Poole Harbour Commissioners	100	Returned 18/7/89
Port Talbot	British Steel Corporation.	44	
Ridham, Sittingbourne	Independent Sea Terminals Ltd.	29	
Sheerness	Medway Port Authority.	371	
Swansea	Associated British Ports; Dragon Shipping.	-- 8	All former ABP RDWs made redundant.
Silloth	D A Harrison	3	
Weymouth	Sealink UK Ltd.	11	
Rochester	Anglo Sped Ltd, Stanley Wharf.	8	
Rochester	Shiplink Ltd, Limehouse Wharf.	55	
Rochester	Transit Freight	55	
Rochester	Britholdings Ltd	15	

ANNEX B

FORMER SCHEME PORTS
 PARTIALLY WORKING: 19 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>NO. OF EX-RDWs ON STRIKE</u>	<u>NO. OF EX-RDWs WORKING</u>
Blyth	Blythe Harbour Commission	39	12 (coal trimmers)
Garston	Associated British Ports	All RDWs redundant	
	Mersey Container Terminals Ltd	29	--
Goole	Associated British Ports	164	--
	Limb and Co	--	29
Hull	North Sea Ferries	30 (unconfirmed)	69
	Associated British Ports	274	15
	Montague & Meyer	--	9
Manchester Ellesmere Port	Manchester Ship Canal Co	All RDWs redundant	
	Manisty Wharf	38	--
	Cawoods Container Services	--	14
Manchester Salford	Manchester Ship Canal Co	28	--
	Trafford Park Stevedores	5	--
Manchester Runcorn	Manchester Ship Canal Co	9	--
	W. H. Stott	All men redundant	
Manchester Weston Point	Ocean Port Services	17	--
Sharpness	British Waterways Board	29	--
	Trent Wharfage Ltd	--	7
	Coopers Metals	--	5
Tyne	Port of Tyne Authority	88	--
	DFDS Ferries	--	19

ANNEX C

FORMER SCHEME PORTS NOT
WORKING: 19 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>NO. OF RDWs</u> <u>Approx.</u>	<u>COMMENT</u>
Bristol	Bristol Port Authority and private employers	450	Bulk oil ships discharging normally. Picket line. Car transporters not crossing picket line. 2 private operators working with 9 ex-RDWs.
Clyde (except Hunterston)	Clyde Port Authority	137	Pickets at Glasgow, Hunterston and Greenock. But Hunterston is on 3 weeks holiday.
Dundee	Dundee Port Authority	96	
Falmouth	Falmouth Harbour Commissioners.	7	
Fleetwood	Associated British Ports	44	
Forth (all 5 ports)	Forth Ports Authority	265	Pickets at Leith.
Liverpool	Mersey Docks and Harbour Co. and all private operators.	1,000 (approx)	Pickets. 5 ships in port.
London	Tilbury. (Container Terminal and Con- ventional Wharves)	1,000 (approx)	38 working at Erith wharf and 10 for Tilbury Container Services.
	Most other private Wharves	187	
Lowestoft	Small & Co.(Shipping)Ltd	9	Expected to return to work shortly.
Seaham	Seaham Port Authority	16	
Southampton	Associated British Ports	545	Pickets.
Sunderland	Port of Sunderland Authority.	31	

Tees and Hartlepool	Tees and Hartlepool Port Authority; Bell Containers; ICI Ltd; BSC Redcar.	) ) ) ) )	488	Pickets.
Whitehaven	Whitehaven Harbour Commissioners.		16	
Workington	Cumbria County Council.		16	

R E S T R I C T E D

FROM: S R BRAMALL
PORTS
18 July 1989

APS/Secretary of State

cc: PS/Minister of State	PS/Secretary of State (DEmp)
PS/Lord Brabazon	PS/Secretary of State (W.O.)
PS/Sir Alan Bailey	Mr Whybrew (DEmp)
Mr Sunderland	Brig. Budd (Cabinet Office)
Mr Noulton	Mr Rhodes (Home Office)
Mr Lyness	Mr Spivey (DTI)
Mr Crane	Mr Cassell (MOD)
Mr Fells	Mr Meekings (MAFF)
Mr Kitchen	Mr Mortimer (Treasury)
Miss Samuel	Mr McConnell (N.Ireland)
Miss Buchanan	Mr Burnside (Scottish Office)
Miss Russell-Smith	Mr Atkinson (DEN)
Mr Findlay (Ports Off.Scotland)	Mr Hadfield (W.O.)
Mr Mullock	Ms Bryant (DEmp)
Mr Jinks	
Duty Officer	

DOCKS DISPUTE: SIT REP FOR 18 JULY 1989

1. The most significant development today is that all dockers at Poole have returned to work. However, meetings at Grimsby and Immingham have broken up without a decision whether to return. It has apparently been left to individual dockers to decide what to do. Nonetheless the remaining 21 ex-RDWs working for General Workers Stevedores have returned to work today and, a private stevedore firm, Exxtor Group Ltd, has had 100 of its ex-RDWs report for work. 90 ex-RDWs for British Steel and British Coal have also returned. 3 more ex-RDWs returned at Hull making a total of 25 at work there.

2. At Goole, the ex-RDWs working for Limb and Co have reported for work again today, but the ABP dockers have deferred a decision over a return to work until tomorrow. At Goole we have had reports of hauliers refusing to cross picket lines.

3. We had heard that 29 ex-RDWs at North Shields, at Tyne, might return to work today. Although they reported, they insisted on working in accordance with the old manning methods before the repeal of the Scheme, so were sent home.

4. I have mentioned previously that very few ships have been stranded in striking ports. This remains the case. Dover and Milford Haven continue to report a significant increase in traffic and Felixstowe has also indicated that traffic has increased to a point where it cannot accept any additional cargos. Invergordon also continues to handle a considerable increase in traffic, particularly cars. At Hull management have managed to unload 1 shipload of Russian cars and a containers ship is also being unloaded. The only report of any foodstuffs being stranded in port is at Tees and Hartlepool where cargos of bulk sugar (1175 tonnes), cereals (190 tonnes) and wine (875 tonnes) have been unloaded onto the dockside but cannot be loaded onto lorries for distribution.

5. There are now over 1400 ex-RDWs who have returned to work.

S R BRAMALL
PORTS
1/10 Sunley House
Ext.3259

18 July 1989

FORMER SCHEME PORTS
WORKING NORMALLY: 18 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>FORMER RDWs</u> <u>WORKING</u>	<u>COMMENT</u>
Aberdeen	A number of private companies including P&O and a new co-operative established by former RDWs	Unclear	
Ayr	Associated British Ports	--	All former RDWs made redundant. Dock work carried out by non-RDWs
Barry	Associated British Ports	45	
Bristol	Bristol ICD Ltd. Charles Ford	4 9	
Cardiff	Associated British Ports	--	All former RDWs made redundant.
Chatham	Crescent Shipping	51	Returned 17/7/89
Fowey & Par	English China Clay.	--	All former RDWs redundant.
Great Yarmouth	Great Yarmouth Port Labour Co.	101	
Goole	Limb and Co	29	Returned 17/7/89
Grimsby	Exxtor Group Ltd British Steel/British Coal Lindsay Dock Services	100 83 6	
Ipswich	Ipswich Port Authority		88 ex-RDWs still on strike. Non-RDWs returned to work after 24 hour stoppage.
Kings Lynn	Associated British Ports	13	Returned to work 1.00pm 13/7/89.
London	Erith Wharf Tilbury Container Services Ltd	37 10	Erith Wharf closing down in September.
Newport	Associated British Ports; BMB Forest Products Ltd.	96 22	
Penzance	Isles of Scilly Steamship Co.	11	

Plymouth	Associated British Ports;	3	
	Cattedown Wharves Ltd;	5	
	Bayley Bartlett Ltd;	2	
	Escombe Lambert Ltd.	9	
Poole	Poole Harbour Commissioners	100	Returned 18/7/89
Port Talbot	British Steel Corporation.	44	
Ridham, Sittingbourne	Independent Sea Terminals Ltd.	29	
Sheerness	Medway Port Authority.	371	
Sharpness	Trent Wharfage Ltd; Coopers Metals.	7 5	BWB dockers on strike.
Swansea	Associated British Ports; Dragon Shipping.	-- 8	All former ABP RDWs made redundant.
Silloth	D A Harrison	3	
Tyne, North Shields	DFDS Ferries	19	Returned 17/7/89
Weymouth	Sealink UK Ltd.	11	
Rochester	Anglo Sped Ltd, Stanley Wharf.	8	
Rochester	Shiplink Ltd, Limehouse Wharf.	55	
Rochester	Transit Freight	55	
Rochester	Birtholdings Ltd	15	

ANNEX B

FORMER SCHEME PORTS NOT
WORKING NORMALLY: 18 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>NO. OF RDWs Approx.</u>	<u>COMMENT</u>
Barrow	J Fisher and Son.	8	
Blyth	Blyth Harbour Commission	39	Picket line. 12 coal trimmers working (4 TGWU, 9 NUR).
Boston	Boston Borough Council	87	
Bristol	Bristol Port Authority	450	Bulk oil ships discharging normally. Picket line. Car transporters not crossing picket line. 2 private operators working.
Clyde (except Hunterston)	Clyde Port Authority	137	Pickets at Glasgow, Hunterston and Greenock. But Hunterston is on 3 weeks holiday.
Dundee	Dundee Port Authority	96	
Falmouth	Falmouth Harbour Commissioners.	7	
Fleetwood	Associated British Ports	44	
Forth (all 5 ports)	Forth Ports Authority	265	Pickets at Leith.
Garston	Mersey Container Terminals Ltd.	29	Pickets. All former RDWs (56) working for ABP in Garston have accepted redundancy.
Goole	Associated British Ports	164	1 private employer working normally
Grimsby and Immingham	Associated British Ports and private operators.	369	Picket Line, but being crossed. Ships at private facilities are being worked. Jetties handling bulk oil and chemicals are working. 3 private companies have part of ex-RDW workforce back at work.

Hull	Associated British Ports & some private operators	466	Pickets. North Sea Ferries running normally. 25 RDWs reported for work.
Liverpool	Mersey Docks and Harbour Co. and all private operators.	1,000 (approx)	Pickets. 5 ships in port.
London	Tilbury. (Container Terminal and Con- ventional Wharves)	1,000 (approx)	Pickets.
	Most other private Wharves	187	
Lowestoft	Small & Co.(Shipping)Ltd	9	Expected to return to work shortly.
Manchester, Ellesmere Port.	Manchester Ship Canal Co;) Manisty Wharf;) Cawoods Container) Services Ltd.)))))))
Manchester, Salford	Manchester Ship Canal Co;) Trafford Park Stevedoring)	123	) Pickets. Cawoods) persuaded by pickets) to stop work.))
Manchester, Runcorn	Manchester Ship Canal Co;) W H Stott and Co.)))))
Manchester, Weston Point	Ocean Port Services Ltd.))))
Seaham	Seaham Port Authority	16	
Sharpness	British Waterways Board	28	2 private operators working.
Southampton	Associated British Ports	545	Pickets.
Sunderland	Port of Sunderland Authority.	31	
Tees and Hartlepool	Tees and Hartlepool) Port Authority;) Bell Containers;) ICI Ltd;) BSC Redcar.)	488	Pickets.

Tyne	Port of Tyne Authority	88	Pickets. DFDS ferries running normally.
Whitehaven	Whitehaven Harbour Commissioners.	16	
Workington	Cumbria County Council.	16	



Copy 1 of 18
229-F

SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 **5803**
Telex 915564 Fax 01-273 5821

Secretary of State

RA

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON SW1

17 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: MONDAY 17 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the twelfth meeting with the broader remit. The Minister of State for Transport was present.

The key points which emerged are recorded below:

Docks

- (a) the port employers were claiming that the dock strike was crumbling, but in fact dockers in most major ex-Scheme ports are still on strike. (Since the meeting, we have heard that the strike has ended at Rochester and North Shields, both small ports);
- (b) it was increasingly difficult to measure the impact of the strike. For example, the QE2 had recently docked at Southampton, and this had been handled without any involvement by formerly registered dockworkers;
- (c) the TGWU had issued a press notice saying they were considering seeking judicial review of the operation of the dockworkers' redundancy compensation scheme. To date, some 1,600 redundancies had been announced, and it was thought that at least 1,300 of these were voluntary. Where the



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department · Training Agency
Health and Safety Executive · ACAS



6

Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

port employer concerned remained in business, only voluntary redundancies had taken place. The area of difficulty was in relation to firms which had gone out of business before or after Royal Assent. However, the Department of Transport were administering the scheme with great care, and it was difficult to see on what grounds the union could seek - let alone secure - a favourable judicial decision;

- (d) the TGWU were reported to be holding a meeting in London today with representatives of Continental dockworkers. These might offer some support to the strikers, but on past experience this was unlikely to be a significant factor in the dispute;
- (e) the expected heavy picket at Sheerness had not yet materialised;
- (f) the Scottish and Northern Ireland Offices reported that as yet the dispute had not led to any major problems.

Transport Disputes

- (a) British Rail had now offered all three rail unions an 8.8 per cent increase, without conditions, and were seeking a response by lunch time today. The TSSA had accepted the offer: (since the meeting, we have heard that ASLEF have also accepted the offer. The NUR decision is still awaited - it is now 10.30 pm);
- (b) the position on future bargaining arrangements was less clear. No agreement had been reached, and BR had agreed to table a new paper. (Since the meeting, BR has tabled the paper);
- (c) the meeting noted that the emergency car parking arrangements in London would be in operation again tomorrow; and that the disputes continued to have relatively little impact outside London;
- (d) London Bus platform staff had voted last Friday on the pay offer, and the TGWU had made a strong recommendation in favour of acceptance. The ballot result was expected this Wednesday, 19 July. Meanwhile, the platform staff had said that they would not strike. However, the engineering staff were still dissatisfied with the pay offer, and were holding a one day strike today.



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

Local Authority Staff

- (a) as planned, NALGO were calling out their members on a three day strike this week, from Tuesday to Thursday. The mandate from their recent strike ballot would then expire: in other words, they would need to ballot their members again if they wished to pursue their pay claim through industrial action;
- (b) the local authority employers would be meeting shortly, probably on Friday 21 July or on Monday 24 July, to assess the effects of the NALGO campaign, and to consider the way forward. They remained of the view that they could not afford to increase their offer;
- (c) the meeting noted that NALGO was not paying strike pay.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary



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SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . 5803
Telex 915564 Fax 01-273 5821

Secretary of State

Prime Minister²

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

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REC 6
18/7

18 July 1989

Dear Paul,

not

INDUSTRIAL DISPUTES : MONITORING MEETING: TUESDAY 18 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the thirteenth meeting with the broader remit. The Secretary of State for Transport and the Minister for Local Government were present.

The key points which emerged are recorded below:

Docks

- (a) a number of smaller ports had recently decided to return to work, and the issue was under active consideration in yet others. There were now some 1,224 formerly registered dockworkers at work; some 1,850 had accepted redundancy; and the remaining two-thirds were on strike;
- (b) it seemed that Felixstowe was now working at full capacity;
- (c) two shipments of imported cars had recently arrived at North Scottish ports, and were now on their way South. Press reports that the TGWU would prevent their onward movement had proved unfounded;
- (d) while some 30 per cent of flour milling capacity was within the boundaries of former Scheme ports, to date milling had continued as before.



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department · Training Agency
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Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

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Transport Disputes

- (a) yesterday, ASLEF had accepted British Rail's final offer, of 8.8 per cent on basic pay without conditions. They had asked BR management not to make available their paper on new bargaining arrangements until after this decision had been made. This had been widely misrepresented in the press, as if the BR Board had missed their own noon deadline;
- (b) it was understood that Mr Knapp had strongly advised the NUR Executive to accept BR's offer; that the Executive had split; and that, at the end of a long day, the militants had won and the offer had been rejected;
- (c) Sir Robert Reid had immediately appeared on the media, expressing his regret and astonishment at this turn of events. He had noted that the 8.8 per cent offer implemented in full the recommendation of the Railway Staffs National Tribunal; that this was BR's final offer; that there had been useful progress towards new bargaining arrangements; that BR were now seeking to implement these from 1 February 1990, rather than November this year; and that in the light of this, there was absolutely no justification for the strikes to continue. Sir Robert had not ruled out the further talks which the NUR were seeking, but had rightly said that it was difficult to understand what such talks could achieve;
- (d) ASLEF members had begun working normally from last night. On previous strike days, growing numbers of NUR members had disobeyed union instructions and gone to work, and information on today's turnout was requested.

London Underground
Local Authority Staff

- (a) on the London Underground, the unions [ASLEF and the NUR] had asked to meet the employers on Thursday 20 July. There were two separate disputes, one on pay in respect of One-Person-Operator trains and the other resulting from management's "Action Stations" programme to improve productivity and modernise working practices. A feature of the dispute was the rivalry between the two unions, both of which had Underground train drivers in membership;
- (b) Ministers noted that the transport unions were now seeking to argue that, all along, one of their main concerns had been the alleged prevalence of low pay amongst their members. Ministers asked for detailed factual briefing to help them refute such charges.



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Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

Local Authority Staff

- (a) the best expectation was still of some reduction in support for the NALGO strike this week, as compared with the previous week. The employers' side remained solid in their conviction that they could not increase their 7 per cent offer to move towards the union's 12 per cent claim, but had not been as visible in the press as had been hoped. NALGO would presumably now be considering whether to ballot their members on further industrial action, and it would be important that the many NALGO members who were clearly opposed to the present strike campaign voted in any such ballot;
- (b) the success of the union in securing support even for the present strike campaign had been widely exaggerated: three quarters of local authority staff in relevant grades remained at work, and many localities were virtually untouched by industrial action.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary

CONFIDENTIAL

Rie



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

17 July 1989

Dear Roy

CENTRAL LONDON TRANSPORT ARRANGEMENTS - 18 JULY

We have been advised this morning by the Palace that, given the likelihood of a strike by Underground workers and the continuing uncertainty over the British Rail position, it has been decided to change the normal arrangements for tomorrow's State Visit by the President of the United Arab Emirates. He will not now be arriving at Victoria, but his aircraft will be diverted to Heathrow and he will then travel to Buckingham Palace by car. As a result, there will not be the usual procession through central London.

I should be grateful if you and copy recipients would ensure that the necessary action is now taken, including, for example, reinstatement of the normal parking arrangements on Horseguards Parade.

I am copying this letter to Roger Bright (Department of the Environment), Alex Allan (HM Treasury), Colin Storr (Home Office), Brian Hawtin (Ministry of Defence), Clive Norris (Department of Employment), Neil Thornton (Department of Trade and Industry), Shirley Stagg (Ministry of Agriculture, Fisheries and Food), Stephen Catling (Lord President's Office), Stephen Haddrill (Department of Energy), Michael Saunders (Attorney General's Office) and Trevor Woolley (Cabinet Office).

Yours faithfully
Paul Gray

PAUL GRAY

Roy Griffins, Esq.
Department of Transport

CONFIDENTIAL

ANDREW TURNBULL

→ fA

STATE VISIT NEXT TUESDAY

You left with me the attached note from DoE, and asked me to liaise with Bill Heseltine on the arrangements for next Tuesday's State Visit.

As you know, shortly after your departure for Paris, the rail unions announced their plans for another one day strike next Tuesday, ie coinciding with the State Visit. I talked this through with Bill Heseltine on Thursday, who had already reached the view that:

- it would not be right at that stage definitely to cancel the normal State Visit arrangements for a procession from Victoria to the Palace;
- the rehearsal arrangements should therefore proceed on the basis of the normal plan;
- but the Palace would let it be known that a contingency plan was in hand, and would be put into effect if the rail strike did go ahead (this was based on diverting to Heathrow and driving to the Palace from there, although the precise nature of this alternative would probably not be announced);
- the position would be reviewed on Monday, in the light of progress on the rail talks, with a view to reaching a final decision that day.

This seemed a reasonable plan of action to me and so I concurred with it. We have agreed to make contact again on Monday.

I take it that, if the rail strike is still on for Tuesday, and it is decided on Monday to go for the alternative Heathrow plan, with all the ceremonials being done at the Palace, car parking on Horse Guards Parade can be reinstated for Tuesday.

Elizabeth McHanna
PAUL GRAY

14 July 1989

PRIME MINISTER

2 TSSA have now (Saturday) settled, with the complaint that if the 8.8% had been available unconditionally they would have settled immediately. BR have asked for a response from the other unions on Monday.

AT 15/7

INDUSTRIAL DISPUTES

I attach the usual daily monitoring notes on the various industrial disputes.

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On the British Rail dispute, the notes do not reflect the latest position, which I discussed with Andrew on the telephone earlier this evening. At present (2020) the position is:

- talks between BR and the unions are continuing;
- BR are making their 8.8 per cent offer unconditional, save that the industrial action must be called off (they are still pursuing improvements in negotiating machinery, but this is no longer a condition of the pay settlement);
- BR still expect the unions to reject this pay deal;
- if they do, BR will mount a propaganda initiative over the weekend designed to win public support for their reasonableness. They will not escalate at this stage by issuing suspension notices;
- BR will probably issue a letter to all employees on Sunday, in effect going over the heads of the union leadership, and urging members to accept the settlement and work on Tuesday.

Phc6.

PAUL GRAY
14 July 1989

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SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . 5803
Telex 915564 Fax 01-273 5821

Secretary of State

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON SW1

14 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: FRIDAY 14 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the eleventh meeting with the broader remit. The Secretary of State for Transport was present.

The key points which emerged are recorded below:

Docks

- (a) Over 900 formerly registered dockworkers were now at work, out of a total of some 7,600 who had not accepted redundancy. There was a trickle back to work;
- (b) Associated British Ports were writing to their striking dockworkers setting out the facts about their breach of contract and its possible results. This might at some stage be followed up with a stronger letter urging that they return to work;
- (c) there were reports that the TGWU were considering legal action against the Government, on the basis that the special redundancy scheme for formerly registered dockworkers was being abused by some employers. (Since the meeting, we have had reports that the union has issued a press statement to the effect that they might be seeking a judicial review of the use of the compensation scheme. Further details are being sought);



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department - Training Agency
Health and Safety Executive - ACAS



6

Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (d) there were reports in the Scottish Press that the TGWU was trying to prevent the onward transport of a shipment of cars which had come in through Invergordon rather than through their normal, English, port of entry, even though this had not been a Scheme port;
- (e) DTI reported that, as expected, the most vulnerable point for British Steel was the production of construction steel at Redcar. The dock strike had meant that no raw materials were now being imported, and the plant would face problems in about two weeks' time. It was not clear whether, fortuitously, the London steel erectors strike was dampening demand for construction steel. Ministers asked for a note on this.

Transport Disputes

- (a) yesterday, British Rail management had decided to raise their profile, and Sir Robert Reid himself had put their case across. He had explained that the management had offered to implement the Railway Staffs National Tribunal award in respect of all their employees, provided only that the strike ended and that there was continued progress towards more modern bargaining machinery. The trade unions had not yet replied, but were reported as saying that these conditions were unacceptable. In addition, ASLEF had apparently said that the 8.8 per cent increase was not enough;
- (b) the union executives were meeting today. In addition, the management/union talks on the future bargaining machinery were due to resume at ACAS at noon. Yesterday, the unions had asked BR to table at that meeting a paper on two key issues: first, the continued existence of some national forum for considering pay issues; and second, their desire that the proposed five functional councils (which BR wished to resolve pay in the various functions of the business) should have some rights to refer unresolved issues to the national forum. The BR paper envisaged that the national forum would be an annual conference of the Chairmen of the five functional councils, whose deliberations would "inform but not constrain" those negotiating at the functional level. They did not envisage any right of referral from the functional councils to the national conference;



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Secretary of State
for Employment

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (c) BR believed that today's talks would, after considering the above issues, move on to consider the pay dispute under the auspices of the Railway National Staff Council. They were looking to secure a pay settlement by midnight tonight;
- (d) the meeting noted that the overall cost to BR of their present pay offer was 10 per cent.

Local Authority Staff

- (a) there were now further details of the extent of the reduction in support for the NALGO strike campaign. There had been less support this week than last in the North West, East Midlands, and Scotland, and substantially less support in the West Midlands, South West, and South East. In particular, the strike in the South East had virtually collapsed;
- (b) the employers' tactics were to sit out next week's planned three day strike, in the confident expectation that the union would then be unable to mount an all-out national strike. Meanwhile they judged it best to avoid public comment, other than to offer some factual correction of NALGO propaganda.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary

R E S T R I C T E D

FROM: S R BRAMALL
PORTS
14 July 1989

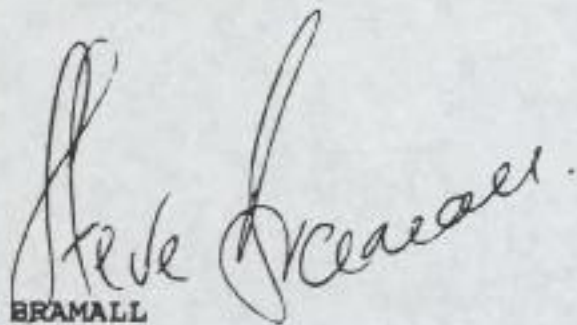
APS/Secretary of State

cc: PS/Minister of State	PS/Secretary of State (DEmp)
PS/Lord Brabazon	PS/Secretary of State (W.O.)
PS/Mr Bottomley	Mr Whybrew (DEmp)
PS/Sir Alan Bailey	Brig. Budd (Cabinet Office)
Mr Sunderland	Mr Chilcott (Home Office)
Mr Noulton	Mr Spivey (DTI)
Mr Lyness	Mr Cassell (MOD)
Mr Crane	Mr Meekings (MAFF)
Mr Fells	Mr Mortimer (Treasury)
Mr Kitchen	Mr McConnell (N.Ireland)
Miss Samuel	Mr Burnside (Scottish Office)
Miss Buchanan	Mr Atkinson (DEn)
Miss Russell-Smith	Mr Hadfield (W.O.)
Mr Findlay (Ports Off.Scotland)	Ms Bryant (DEmp)
Mr Mullock	Mr Grieg (Law Officers)
Duty Officer	

DOCKS DISPUTE: SIT REP FOR 14 JULY 1989

- 1) The position has changed little from yesterday's report. The following points are worth highlighting.
- 2) As expected, the non-RDWs at Ipswich who stopped work yesterday have returned to work today, as have the tug crews of Grimsby and Immingham. There are suggestions that the dockers at Tyne may return to work next week. At lowestoft, the ex RDWs continue to handle the offshore supply work for Shell while claiming that they are on official strike, but there are also suggestions that they may return to normal working next week.
- 3) At Hull, 60% of normal traffic is being handled, mainly bulk cargoes, fish and the North Sea Ferries. We have no further news of diverted or stranded ships.

4) The number of ex-RDWs at work is now estimated at 921, representing 12% of ex-RDWs after taking account of redundancies (now estimated at 1,600 approx).



S R BRAMALL
PORTS
1/10 Sunley House
Ext. 3259
13 July 1989

P. S. I have just heard
that a rears meeting of
dockers at Hull is planned
for Monday.

FORMER SCHEME PORTS
WORKING NORMALLY: 13 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>FORMER RDWs</u> <u>WORKING</u>	<u>COMMENT</u>
Aberdeen	A number of private companies including P&O and a new co-operative established by former RDWs	Unclear	
Ayr	Associated British Ports	--	All former RDWs made redundant. Dock work carried out by non-RDWs
Barry	Associated British Ports	45	
Bristol	Bristol ICD Ltd.	4	
Cardiff	Associated British Ports	--	All former RDWs made redundant.
Fowey & Par	English China Clay.	--	All former RDWs redundant.
Great Yarmouth	Great Yarmouth Port Labour Co.	99	2 ex RDWs joined strike 13/7/89.
Ipswich	Ipswich Port Authority		88 ex-RDWs still on strike. Non-RDWs returned to work after 24 hour stoppage.
Kings Lynn	Associated British Ports	13	Returned to work 1.00pm 13/7/89.
London	Erith Wharf	42	
Newport	Associated British Ports; BMB Forest Products Ltd.	96 22	
Penzance	Isles of Scilly Steamship Co.	11	
Plymouth	Associated British Ports; Cattedown Wharves Ltd; Bayley Bartlett Ltd; Escombe Lambert Ltd.	3 5 2 9	
Port Talbot	British Steel Corporation.	44	
Ridham, Sittingbourne	Independent Sea Terminals Ltd.	29	

Sheerness	Medway Port Authority.	371	Heavy picket.
Sharpness	Trent Wharfage Ltd; Coopers Metals.	7 5	BWB dockers on strike.
Swansea	Associated British Ports; Dragon Shipping.	-- 8	All former ABP RDWs made redundant.
Silloth	D A Harrison	3	
Weymouth	Sealink UK Ltd.	11	
Rochester	Anglo Sped Ltd, Stanley Wharf.	8	Heavy picket.
Rochester	Shiplink Ltd, Limehouse Wharf.	5	Heavy Picket.
Rochester	Transit Freight	1	Picket.

FORMER SCHEME PORTS NOT
WORKING NORMALLY: 13 JULY 1989

<u>PORT</u>	<u>EMPLOYER</u>	<u>NO. OF RDWs Approx.</u>	<u>COMMENT</u>
Barrow	J Fisher and Son.	8	
Blyth	Blyth Harbour Commission	39	Picket line. 12 coal trimmers working (4 TGWU, 9 NUR).
Boston	Boston Borough Council	87	
Bristol	Bristol Port Authority	450	Bulk oil ships discharging normally. Picket line. Car transporters not crossing picket line. 1 private operator working.
Chatham	Several private employers	150	
Clyde (except Hunterston)	Clyde Port Authority	137	Pickets at Glasgow, Hunterston and Greenock. But Hunterston is on 3 weeks holiday.
Dundee	Dundee Port Authority	96	
Falmouth	Falmouth Harbour Commissioners.	7	
Fleetwood	Associated British Ports	44	
Forth (all 5 ports)	Forth Ports Authority	265	Pickets at Leith.
Garston	Mersey Container Terminals Ltd.	29	Pickets. All former RDWs (56) working for ABP in Garston have accepted redundancy.
Goole	Associated British Ports	164	
Grimsby and Immingham	Associated British Ports and private operators.	52	Picket Line, but being crossed. Ships at private facilities are being worked. Jetties handling bulk oil and chemicals are working. Fish lumpers working normally.

Hull	Associated British Ports & some private operators	466	Pickets. North Sea Ferries running normally. 14 RDWs reported for work 12.7.89.
Liverpool	Mersey Docks and Harbour Co. and all private operators.	1,000 (approx)	Pickets. 5 ships in port.
London	Tilbury. (Container Terminal and Con- ventional Wharves)	1,000 (approx)	Pickets.
	Most other private Wharves.	187	45 ex RDWs reported for work at Erith Wharf and 2 reported at Tilbury Container Services Ltd.
Lowestoft	Small & Co.(Shipping)Ltd	8	Expected to return to work next week.
Manchester, Ellesmere Port.	Manchester Ship Canal Co;)))
	Manisty Wharf;)))
	Cawoods Container)))
	Services Ltd.)))
Manchester, Salford	Manchester Ship Canal Co;)))
	Trafford Park Stevedoring))	123	) Pickets. Cawoods) persuaded by pickets) to stop work.
Manchester, Runcorn	Manchester Ship Canal Co;)))
	W H Stott and Co.)))
Manchester, Weston Point	Ocean Port Services Ltd.)))
)))
Poole	Poole Harbour Commissioners.	97	Ferries running normally.
Rochester	Kent Line;	15	
	Crescent Line;	51	
	Rochester Transit Freight.	54	1 man reported for work.
Seaham	Seaham Port Authority	16	
Sharpness	British Waterways Board	28	2 private operators working. Meeting of striking dockers arranged for Thursday. Pickets.
Southampton	Associated British Ports	545	Pickets.
Sunderland	Port of Sunderland Authority.	31	

Tees and Hartlepool	Tees and Hartlepool Port Authority; Bell Containers; ICI Ltd; BSC Redcar.	) ) ) ) )	488	Pickets.
Tyne	Port of Tyne Authority		107	Pickets. DFDS ferries running normally (hand- led by non RDWs).
Whitehaven	Whitehaven Harbour Commissioners.		16	
Workington	Cumbria County Council.		16	

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THE DEPARTMENT OF TRANSPORT



FROM THE SECRETARY OF STATE

2 MARSHAM STREET LONDON SW1P 3EB
TELEPHONE 01-276 3000

Paul Gray Esq
Private Secretary
10 Downing Street
LONDON
SW1A 2AA

Prime Minister
REC 14/7

My Ref:

Your Ref:

mb

Dear Paul

113 JUL 1989

PUBLIC TRANSPORT STRIKE - 12 JULY

My Secretary of State thought the Prime Minister and other members of MISC 139 would be interested to have a report on traffic conditions and the use of the emergency parking measures which were organised for yesterday's public transport strike in London, as well as on his further plans.

The morning peak of traffic in London began earlier than on the previous strike day. Traffic during the morning and evening peaks moved slowly but continuously except at one or two normally critical junctions. Overall, traffic was heavier than the previous week and the peaks lasted longer. There was more evidence of car sharing, use of coaches, and staggered journeys. The paid advertisements in newspapers and on the radio got the message across much more effectively.

Motorists made full use of all the 8,500 parking spaces provided in the Royal Parks and associated roadways. The Park and Ride scheme at White City was still not a great success: only some 125 vehicles used the 1,000 spaces provided. The Park and Ride site at Greenland Quay attracted better patronage, with around 200 of the 500 available spaces in use. The associated riverbus service was also well used by pedestrians. The provision at both sites served a useful purpose but will need to be kept under review.

A further one day stoppage of rail and tube services is planned for next Tuesday, 18 July. ASLEF are continuing their ban on overtime and rest day working. The current emergency parking provisions will be retained. Extra free parking for 300 cars adjacent to Regent's Park Zoo has been

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arranged. We are also considering whether to allow car parking, in addition to coach parking, in Victoria Park at Hackney, with free coach services to Finsbury Square. The Park and Ride scheme at White City will be scaled down to meet a lower level of demand. We are continuing to look into the possibility of more park and ride sites on the periphery.

On Tuesday there is a state visit by the President of the United Arab Emirates. He was due to arrive at Victoria Station, from Gatwick at 12.30 pm. If there is a rail strike, his aircraft will be diverted to Heathrow and he will travel to Buckingham Palace by car.

Further press notices will be issued to publicise any new measures before next Tuesday. But we do not propose to repeat the paid advertising.

I am sending copies of this letter to Alex Allan (Treasury), Colin Storr (Home Office), Brian Hawtin (Defence), Clive Norris (Employment), Neil Thornton (Trade & Industry), Shirley Stagg (MAFF), Stephen Catling (Lord President's Office), Stephen Haddrill (Energy), Michael Saunders (Attorney General's Office) and Trevor Woolley (Cabinet Office).

Yours

Neil

N T E HOYLE
Private Secretary

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Copy 1 of 18
199-d

SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 5803
Telex 915564 Fax 01-273 5821

Secretary of State

076

RA

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

13 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: THURSDAY 13 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the tenth meeting with the broader remit. The Secretary of State for Transport and the Minister for Local Government were present.

This is a longer letter than normal, but as you know a lot has been happening. The key points which emerged are recorded below:

Docks

- (a) the basic situation was unchanged since yesterday. Some ten to twelve per cent of formerly registered dockworkers were working. Ipswich was on strike today, but it was understood that this was for 24 hours only;
- (b) the TGWU were clearly trying to increase the pressure on those of their members who were working. There was a heavy picket at Sheerness, comprising Tilbury dockworkers together



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department · Training Agency
Health and Safety Executive · ACAS



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

with some NALGO members, but the port remained open. It was now also apparent that there had been some intimidatory picketing yesterday. There had been some disturbances on the picket line at Cawoods wharf on the Manchester Ship Canal, and at Coastal Containers at Garston, in both cases involving Liverpool dockworkers. There were also reports of some working dockworkers being threatened on the telephone. The local police were taking appropriate action;

- (c) the meeting noted that such picketing was almost certainly unlawful. Under the 1980 Employment Act, picketing had to be either "at or near" the pickets' place of work, or undertaken by union officials;
- (d) there had been press reports that the TGWU were seeking the support of trade unions in Continental ports. These were being investigated, but as yet there was no evidence that substantial support would be forthcoming;
- (e) the Scottish Office reported evidence that some major importers based in England had implemented their contingency arrangements to use Scottish ports;
- (f) there were a number of good news stories for which publicity might be sought. For example, the Aberdeen fish market was now flourishing, and it seemed that the rest of the port would soon be employing more dockworkers than had been possible while it suffered the constraints of the Dock Labour Scheme. The fact that Welsh ports remained open was also significant. Ministers asked for speaking notes on such examples, which confirmed that a good future lay ahead for the former Scheme ports.

Transport Disputes

- (a) yesterday morning, the British Rail Chairman had taken the decision to revise the pay offer to the unions. He had written to the TSSA before lunch offering them an increase of 8.8 per cent on basic pay, backdated to 10 April, together with an increase in the South East allowance to £1,265, payable from 17 July. (The original offer on this allowance had been to pay £1,200 from 10 April: the revised offer was cost-neutral in the current financial year). The only condition attached to this offer was that TSSA accept cashless pay;



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (b) letters had been prepared for the NUR and ASLEF making them the same offer: this represented a significant shift by British Rail, which had said previously that the pay award to these two unions could date only from when they returned to normal working. The offer was conditional both upon the introduction of cashless pay, and upon an ending of the industrial action;
- (c) at 2.00pm yesterday the talks between BR and the unions under ACAS auspices on new bargaining machinery had resumed. The NUR and ASLEF had been told informally of the new pay offer, but the letters had not been handed over. The talks on bargaining arrangements had gone on until 8.00pm. It was obvious that this issue mattered far more to the unions than did the pay award itself - though their members, of course, might well take the opposite view. The unions were clearly implacably opposed to BR's plan to end the National Council, the umbrella body which currently dealt with pay in respect of all rail unions;
- (d) at the close of the meeting on bargaining machinery BR had handed the offer letters to the NUR and ASLEF. Mr Knapp had then gone to a meeting of the NUR executive, on the understanding that they would consider only the state of negotiations on future bargaining arrangements, and would defer their consideration of the revised pay offer until this morning. Contrary to this understanding, Mr Knapp had announced in the early hours of this morning that the revised pay offer was unacceptable. The indications were, however, that the TSSA would accept the offer;
- (e) it had also been agreed last night that the details of the revised pay offer would not be publicised. However, they had leaked to the press during the night, and so British Rail had issued a press release which set out the new terms on offer;
- (f) no meeting between BR and the unions was expected today, but it was expected that talks would resume at ACAS tomorrow. BR management expected that, if they agreed to drop the insistence on cashless pay, the rest of the pay offer would prove acceptable. The sticking point seemed to be the unions' refusal to contemplate the proposed dismantling of the existing cumbersome national bargaining machinery;
- (g) BR management had recently been much more successful in getting their message across to the public, but had no immediate plans to appear on the media. [Subsequently Sir Robert Reid decided to carry out a series of radio, television and newspaper interviews];



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (h) the NUR had announced that the next one day strike on British Rail would be on Tuesday 18 July, to coincide with the one day ASLEF strike on the London Underground.

Local Authority Staff

- (a) the overall turnout during this second NALGO strike was less than during last week's strike; furthermore, the turnout during the second day of this week's 2-day strike had been less than during the first day. Overall, fewer than half of NALGO members had gone on strike, and three quarters of local authority staff in the grades concerned had been working;
- (b) there was evidence that support for the strike had been declining throughout the country, but as would be expected support was falling fastest in those localities in which support for the strike had initially been weakest;
- (c) the employers were confident that NALGO would not now be able to secure their members' support for an indefinite national strike. However, there was a risk that more individual local authorities would do local deals. This was not a party matter: authorities in the South East in particular, whatever their colour, faced real difficulties in recruiting and retaining staff;
- (e) it was understood that some local authority leaders would be giving situation reports, to counter the NALGO propaganda, which would be appearing in the Sunday Press.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary



Copy 1 of 18
18a-c

SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . 5803
Telex 915564 Fax 01-273 5803

Secretary of State

BR

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

Prime Minister

12 July 1989

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*RACG
ms*

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: WEDNESDAY 12 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the ninth meeting with the broader remit. The Secretary of State for Transport and the Minister for Local Government [Mr Gummer] were present.

The key points which emerged are recorded below:

Docks

- (a) a clearer picture of the less than total support for the national dock strike was now emerging. 18 former Scheme ports - one third of the total - were open: ports which had previously employed some 20 per cent of registered dockworkers. The reasons why they were able to work varied. In Ipswich, for example, all the formerly registered dockworkers were on strike, but other dockworkers remained at work. In some other ports, it was the management and the non-dockworker staff who were keeping the port going;
- (b) there were no reports of major or violent picketing.



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department - Training Agency
Health and Safety Executive - ACAS



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

Transport Disputes

- (a) on British Rail, the management had opened negotiations yesterday with the three rail unions. Progress had been made on the first set of talks, which concerned future pay bargaining machinery, and at around 9:00 pm talks started on the second agenda item, the pay dispute. British Rail had offered to implement the Railway Staffs National Tribunal 8.8 per cent pay award to white-collar staff for all the unions' British Rail members from when industrial action ended. This offer clearly had to be funded, and the management had therefore made it clear that the offer was subject to the introduction of cashless pay, and also to an adjustment to the proposed South East supplement. At this point, the NUR and ASLEF negotiators had walked out. BR had then offered the TSSA, who remained at the table and who had not taken industrial action, backdating of the 8.8 per cent award to the settlement date of 10 April, subject to the same conditions, and had agreed to put this offer in writing. The TSSA had then walked out of negotiations;
- (b) BR management would be writing to all three unions today, confirming the offers they had made, and urging them to return to negotiations;
- (b) the rationale of the BR management position was not getting across to the public. There seemed to be widespread feeling that it was the management - and not the unions - who were the obstacle to resolving the dispute.

Local Authority Staff

- (a) the second NALGO strike continued today. As last week, it seemed to have pretty solid support in the North of the country, but there seemed to be a gradual drift back to work in the Midlands and more particularly in the South. This would clearly give NALGO pause for thought, especially if - as now seemed likely - support for the third in the present series of strikes, the 3-day strike scheduled for next week, was even less;
- (b) there were no reports of serious problems with essential services, though a careful watch continued to be made of meat and poultry inspections;
- (c) press reports continued to be based predominantly on briefings by the union, which tended to exaggerate support for the strike. While it was understood that the employers' side were reluctant to adopt a high profile - not least, because they were mostly Labour authorities - it would be helpful if local authority spokesmen could be encouraged to make available the true facts about the modest support for the strike in many areas;



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (d) there was a specific problem in Strathclyde, where Monday 17 July was a holiday. This meant that some local authority offices would be closed for 4 days, opening only on Friday 21 July. The Secretary of State for Scotland was therefore planning to take administrative action to lift the requirement that people obtain a Certificate of Registration before a cremation.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary



Copy 1 of 15 ^{17a-c}
Prime Minister^{2.}

SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . 5803
Telex 915564 Fax 01-273 5821

Secretary of State

→ RA

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

(1 July 1989

Dear Paul,

INDUSTRIAL DISPUTES : MONITORING MEETING: TUESDAY 11 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the eighth meeting with the broader remit. The Secretary of State for Transport and the Minister for local government [Mr Gummer] were present.

The key points which emerged are recorded below:

Docks

- (a) the national dock strike had now begun, but support for it was less than total. Some 15 - mainly smaller - ports were working, ports which at Royal Assent had employed some 20 per cent of registered dockworkers. This was extremely encouraging. The key question now was if and when support for the strike at other ports would diminish: while the traditionally militant dockworkers at Tilbury and Liverpool might well stay on strike for some time, a return to work at Southampton would signal the beginning of the end;



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department · Training Agency
Health and Safety Executive · ACAS



6

Secretary of State
for Employment

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (b) in some ports, such as Garston, Ayr, Aberdeen and Swansea, all the formerly registered dockworkers had taken voluntary redundancy. In other words, there were no dockworkers left to go on strike, and the employers were free to recruit new workers when they wished;
- (c) there were few reports of picketing. Secondary picketing was expected at Sheerness, but the only dockworkers known to be picketing outside their home port were a few Liverpool dockworkers who had turned up to picket a wharf on the Manchester Ship Canal.

Transport Disputes

- (a) the position with respect to the British Rail negotiations was delicate. Yesterday, British Rail had again invited the rail unions to talks, but the invitation had initially been rejected. The unions had met together until the late evening, and had finally agreed to talks both on pay and on bargaining machinery. British Rail had insisted that discussion on these two topics be kept separate: the pay issue was to be discussed in the Railway National Staff Council, as the existing machinery provided; while future bargaining machinery was to be discussed under the auspices of ACAS. This was a satisfactory formula which preserved British Rail's position, though it had been misreported in the press and by the NUR as a concession by BR. BR had again called for Wednesday's strike to be called off, but there was now little prospect of this;
- (b) there would be a strike on the London Underground tomorrow. However, it was expected that London buses would run.

Talks are continuing (9.10p-) and have moved to bargaining machinery to pay.

NS 11/7

Local Authority Staff

- (a) the second NALGO strike had begun today, and would continue tomorrow. The employers expected less support than for last week's one-day strike, though there would be significant support particularly in the North of the country;
- (b) only 355,000 local authority white-collar workers were unionised, out of a total of 740,000. 202,000 had voted for the current campaign of strikes, while 153,000 had voted against. In short, only around a quarter of the workers concerned had voted for strike action;
- (c) at present, the employers remained very firm in resisting any further concessions. This firmness extended across Party boundaries, and was very welcome.



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary

PRIME MINISTER

MEETING OF E(A): 12 JULY

There are three items on the agenda, with the papers organised in the three dividers below.

I. Further reform of industrial relations law

The papers are:

Flag A - Norman Fowler's paper which you saw over the weekend.

Flag B - Cabinet Office brief.

Flag C - Policy Unit brief.

You will want to reach firm conclusions under this item on the proposals to be included in the consultation document.

II. Industrial action in essential services

As promised, Norman Fowler has now produced a paper on this issue. The full list of papers is:

Flag D - Norman Fowler's paper

Flag E - Cabinet Office brief

Flag F - Policy Unit brief.

Norman Fowler is keen that this should only be a preliminary discussion, giving him a remit to do further work. You will, however, want to bear in mind the cautionary words in Andrew Dunlop's brief (Flag F), and may want to narrow down the areas of further work.

III. North East Shipbuilders Limited

You are very familiar with the issues here following your discussion this afternoon with Bob Clay, M.P.

The papers are:

- Flag G - Tony Newton's paper which you saw over the weekend.
- Flag H - The draft statement which Tony Newton circulated today.
- Flag I - Cabinet Office brief
- Flag J - George Guise's note.

Tony Newton is anxious about the presentation of his proposed decision, and may try to have a brief word with you in the break between Cabinet and E(A).

My own view is that his draft statement (Flag H) lays too much emphasis on the Commission's objections. Surely the emphasis should be that the UK Government, having carefully considered the latest bids, has decided to accept British Shipbuilders' assessment that doubts attach to any of the bids, and is strongly of the view that the best way forward for Sunderland is to proceed with the full package of assistance and to focus on the industries of tomorrow. Half-heartedly to blame the Commission makes the Government look very weak.


PG

Duty Clerk.

11 July, 1989.

PRIME MINISTER

PROPOSALS FOR FURTHER REFORM OF INDUSTRIAL RELATIONS LAW
E(A) (89) 22

DECISIONS

Mr Fowler proposes to publish a consultation document about industrial relations legislation in September. He has three main proposals on unofficial action.

i. Any person organising industrial action should be required to hold a ballot to gain statutory immunity (paragraph 3.8). This would allow employers and others to sue for damages individuals who organised unofficial action without a proper ballot.

✓ ii. Employers should be free to dismiss selectively individuals participating in unofficial action (paragraph 3.12). At present, individuals taking industrial action can claim unfair dismissal before an industrial tribunal if their employer is selective in whom he dismisses or re-engages.

Stop revision
✓ iii. Trade unions should be liable for unofficial action organised by their members or officials, unless specific steps have been taken to repudiate such action and bring it to an end (paragraphs 4.7-4.15). *Back of office.*

2. If you agree that the consultation document should be published, you may wish also to deal with:

i. legislation. You may wish to check that there are no objections from the Business Managers to inclusion of these provisions in the forthcoming Employment Bill.

ii. EC Social Charter. Mr Fowler says that his proposals run counter to the Social Charter and could give rise to complaints of breach of ILO Conventions.

iii. text. You may wish to check that there are no points of substance on the text of the consultative document. Detailed points could be sent in separately.

BACKGROUND

3. In March Mr Fowler published a Green Paper on the further reform of industrial relations and trade union law. It focussed on the pre-entry closed shop and made no proposals about unofficial action. In May Mr Fowler sent you a personal note with proposals along the lines of his current paper. You asked him to present these to E(A), and in particular asked that he should not rule out the option of withdrawing immunity from individuals who organised industrial action.

ISSUES

Reducing the immunity of individuals organising unofficial action

4. The first proposal, in paragraph 3.8, is that any person organising industrial action should be legally required to hold a ballot as a condition of immunity. Failure to ballot would allow employers or other parties affected by industrial action to seek an injunction or an award of damages. This would end the anomaly that the organisers of unofficial action can get statutory immunity more easily than a trades union. It could be a powerful disincentive to the organisers of unofficial action. But the consultative document suggests that it might not be fully effective, for instance because the organisers may be difficult to identify and may not have assets. You will wish to decide whether the consultative document should include this proposal.

Selective dismissal of individuals taking unofficial action

5. The second proposal, in paragraph 3.12, is that the present restrictions on selective dismissal or re-engagement of individuals participating in unofficial action should be removed,

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so that they would have no claim for unfair dismissal before an industrial tribunal. This would give employers a much more effective and direct sanction than Court action against unofficial strikers. But the draft consultative document says that industrial tribunals might have difficulty deciding whether or not particular industrial action had been authorised by a trades union and might need a High Court judgment to decide the point. You will wish to decide whether the consultative document should include the proposal.

Extend union responsibility for unofficial action

6. The third proposal, in paragraphs 4.7-4.15, would make trade unions liable for unofficial action organised by any of their members or officials, unless specific steps had been taken to repudiate such action and to bring it to an end including if necessary expulsion from the union. This would make it much more difficult for unions to turn a blind eye to the actions of their members, or to give them surreptitious encouragement. It would also strengthen their hand in exerting authority over their members: indeed they would be required to do so. You will wish to decide whether the consultative document should include this proposal.

Presentation

7. The proposals in chapters 3 and 4 of the consultative document are presented differently. Chapter 3 sets out the two proposals for action against individual members in terms which stress the disadvantages as well as advantages, whereas chapter 4 simply describes the main proposal for action against the trades unions themselves. You may wish to consider whether the presentation in chapter 3 could be improved by including stronger statements of benefits and by placing less emphasis on possible disadvantages.

Other issues

8. You may also wish to consider:

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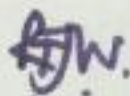
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i. international aspects. You may wish to ask Mr Fowler about the legal position on unofficial action in other countries, and whether any useful lessons can be learnt. You may also wish to ask Mr Fowler about the possible conflict with the Social Charter and the ILO conventions.

ii. legislation. The business managers may wish to comment on the consequences of adding provisions on unofficial action to next session's Employment Bill. They may also wish to check that starting the consultation period in September will not delay introduction of this Bill.

HANDLING

9. You may wish to begin by asking the Secretary of State for Employment to introduce his paper. You could ask the Chancellor of the Exchequer to comment first, followed by the Attorney General. The Foreign and Commonwealth Secretary may wish to comment on the international implications. The Lord President and the Parliamentary Secretary, Treasury may wish to comment on the Parliamentary handling and timetable. Other Ministers may wish to contribute.



R T J WILSON
Cabinet Office
11 July 1989

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14a-e
11 July 1989

PRIME MINISTER

UNOFFICIAL ACTION

Norman Fowler is seeking agreement to publish a draft Consultative Document in September.

It is clearly right to bring forward proposals in this area. But there is a good case for limiting the scope of the proposals within the Consultative Document to those likely to be most effective in practice.

The Case for Action

Norman Fowler's paper makes a persuasive case for action.

First, the unofficial action of recent months (most notably on the London tubes) is a clear abuse. Moreover there is sufficient evidence to suggest that such action is a widespread and damaging phenomenon. Such action is fresh in the public mind. Government action will be readily understood - indeed expected.

Second, if the Government is to do anything at all to limit industrial action in essential services (see separate note), then measures to combat unofficial action will be an important component. Otherwise restrictions on official action in the essential services would have the unintended consequence of encouraging unofficial action. Norman Fowler's proposal to publish a single consultative document in September for both unofficial action and essential services is, therefore, a sensible one.

The Scope of the Consultative Document

The draft contains three basic proposals to deal with unofficial action:

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- restricting the immunities of individuals organising unofficial action;
- making it easier for employers selectively to dismiss the organisers of wild-cat strikes;
- tightening up the procedure whereby trade unions are held legally responsible for the actions of those organising unofficial action.

The Department of Employment favoured originally a combination of the second and third proposals. You asked them not to dismiss ANY of them. You were right to do so: the first option appeared to tackle most directly the problem. But detailed consideration now raises questions about the effectiveness of this option.

1. Individuals' immunities (Para 3.8 - 3.11).

In principle it would be attractive to make it no less easy for the organisers of unofficial action to obtain statutory immunities, than for those organising official strikes. In practice it would be very difficult to make it work effectively.

First, it would be difficult to establish whether the organisers of unofficial action had, or had not, adhered to "proper" balloting procedures prior to industrial action.

|| For example, how would the courts establish whether the right people had been balloted? This is relatively straight forward where a union is organising an official strike, || but far from straightforward in the case of unofficial action.

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Second, even if a practicable way could be found of making this proposal work, it is doubtful whether employers would use it.

They would be reluctant to take action against "men of straw" who have few assets.

There is a parallel here with the Government's legislation to deal with secondary action. Jim Prior's 1980 Act gave employers the right to seek injunctions and damages from the individual organisers of unlawful action, but it was only when Norman Tebbit's 1982 Act put union funds at risk that the proposals began to bite.

It's a matter of fine judgement whether it would - nonetheless - be worth consulting employers on this proposal. On balance I would advise against. It would be used to conjure up images of strikers jailed as martyrs. The net effect would be to divert attention from the other - more effective - proposals.

2. Selective dismissal (Para 3.12 - 3.16)

This proposal could be a very effective weapon (in conjunction with 3 below) for dealing with militant trouble-makers. The ILO may criticise it as further limiting the right to strike. But it doesn't. It merely exposes strikers to the consequences of their actions.

Two specific points to raise with Norman Fowler are:

- Para 3.16 identifies the difficulty tribunals will have in distinguishing unofficial from official action. This is a hostage to fortune. It seems ill-judged to canvass views on particular proposals, while in the same document offering your own critique of them;

SECRET

- In the paper on essential services (Para 4) there is a proposal to consider selective dismissal for official action. Is it worth extending this proposal more widely? It might offer a solution to the difficulty tribunals will have in making a distinction between official and unofficial action.

3. Extending trade unions' liability

This proposal tightens up existing provisions. Unions are already required to repudiate the organisers of unofficial action. The problem is that it can still be difficult to prove whether or not there has been a satisfactory repudiation.

I am sceptical of whether tightening further the conditions for repudiation will - on its own - be sufficient. Requiring unions to take steps to bring the unofficial action to an end will be essential.

Our opponents will try and present this as a major departure in the Government's trade union legislation. They will argue that hitherto we have extended individuals' rights over their union. Now we are requiring unions to police its members. Some will draw the contrast with the 1988 Act which protected individual trade unionists from being disciplined by their unions.

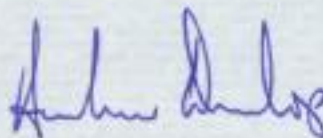
But the Government has a strong line of defence against this line of argument:

- As the TGWU behaviour on the dock strike demonstrates, the Government's trade union legislation is at its most effective when union funds could be at risk. Unions will have a real incentive to keep the militant organisers of unofficial action in line;

- This proposal is not an attack on the rights of individual trade union members, but on the handful of politically motivated militants who organise unofficial action;
- There is no comparison between this proposal and the proposal in the 1988 Act. The former relates to cases in which individuals are being induced to break contracts. The latter offered protection where individuals wished to uphold their contracts.

Recommendations

1. Agree that a consultative document should be published in September.
2. Suggest that the proposal to limit the immunities of those organising unofficial action is now dropped.
3. Question:
 - (a) whether it is wise to include in the Consultative Document critical comment on the proposals outlined within it;
 - (b) whether the proposals on selective dismissal should not be extended to cover official action as well.
4. Support the proposal to tighten the procedures making unions liable for the actions of those organising unofficial strikes.
5. Stress the importance you attach to the proposal that unions would have to take active steps to bring unofficial action to an end in order to retain their immunity.



ANDREW DUNLOP

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PRIME MINISTER

INDUSTRIAL ACTION IN ESSENTIAL SERVICES

E(A) (89) 23

DECISIONS

Mr Fowler's paper allows E(A) to have a Second Reading debate on whether any action should be taken on strikes in essential services. You may wish to concentrate on the following:

i. possible legislative options. Six options are listed in paragraph 3. Mr Fowler and the Attorney General may wish to comment on the practicability and potential effectiveness of these options.

ii. definition of essential services. Mr Fowler has not attempted to define which services might be covered by any legislation. You may wish to discuss which might be on the list.

iii. consequences for pay machinery. Mr Fowler notes in paragraph 7 the importance of avoiding alternatives to collective bargaining in essential industries, such as compulsory independent arbitration, review bodies or indexation.

iv. other countries' experience. The annex to Mr Fowler's paper reviews the limits on industrial action in other countries.

2. Mr Fowler is seeking first reactions, not formal decisions. You may wish to note his progress so far and, if you decide that more work should be done, ask him to report back to E(A) on the outcome of his review as soon as possible.

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BACKGROUND

3. The last time that this subject was discussed was in January 1987 when Mr Clarke obtained E(A)'s agreement to further industrial relations legislation. He was asked to review the possibility of introducing measures to limit strikes in essential services. You subsequently decided that no action should be taken at that time. Last year Mr Fowler produced a note for you on the protection of essential services in other countries.

ISSUES

Possible legislative options

4. Six legislative options are set out in paragraph 3. More detailed work is needed before final decisions can be taken. You may, however, wish to ask what initial reactions Ministers have to them. The Attorney General, in particular, may wish to comment. Option (f), which involves withdrawing immunity for organising any industrial action in the essential services, is potentially the most far-reaching.

Definition of essential services

5. It may be helpful to consider which industries might be included in any definition of essential services. You may wish to ask Mr Fowler which industries are covered by his review. At present there are restrictions on the right to strike in the armed services, the police and at GCHQ. Beyond that, workers in the electricity, gas and water industries are usually regarded as in the first rank of essential services. Staff in hospitals and in the prison service are also in a sensitive position, although both groups have taken industrial action relatively recently. On a wider definition, workers in the docks and public transport industries could be considered alongside a wide range of other public and private sector industries. You may wish to ask Mr Fowler whether his review should consider varying levels of restriction depending on the degree to which an industry is "essential".

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Consequences of any action on essential services

6. You may wish to discuss the tactics and timing of introducing restrictions on industrial action in essential services. In particular:

i. response of staff in the industries involved. A strong reaction could be expected. In the past the Department of Employment have feared that taking action on essential services would unite the trade union movement against the Government.

ii. consequences for pay. Some of the key essential industries already have special pay arrangements involving indexation, review bodies or compulsory independent arbitration. Mr Fowler notes in paragraph 7 the danger that removal of negotiating rights through action on essential services could make it difficult to avoid conceding privileged arrangements along these lines to further groups.

iii. compensation. If rights were to be taken away from employees in particular industries it could be argued that they should be compensated, as were the staff at GCHQ. What would this compensation be, and what would be the cost?

Next Steps

6. If in the light of discussion you wish to commission further work, you could invite Mr Fowler to report back to E(A) as soon as possible on the results of his review. You might also ask him how he would intend to proceed after completing the review.

HANDLING

7. You may wish to begin by asking the Secretary of State for Employment to introduce his paper. The Chancellor of the Exchequer may wish to respond first, followed by the Attorney

General. The Foreign and Commonwealth Secretary might wish to comment on the international implications. Other Ministers with responsibilities for essential services may wish to comment: the Home Secretary (police and prisons), the Secretary of State for Energy (electricity and gas), the Secretary of State for the Environment (water) and the Secretary of State for Transport (docks, British Rail and the London Underground). The Lord Chancellor has been invited in view of his responsibility for the Commissioner for the Rights of Trade Union Members; he may also wish to comment about the likely attitude of the judiciary. The Lord President may wish to comment if it is suggested that provisions on essential services should be added to next session's Employment Bill.

R.T.W.

R T J WILSON
Cabinet Office
11 July 1989

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F cabhp

PRIME MINISTER

11 July 1989

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ESSENTIAL SERVICES

Norman Fowler's paper outlines the work that is now in hand.

Ministers are not being asked to take decisions at this stage. But there is a useful opportunity for a "Second Reading" debate.

The General Strategy

Deciding whether to go forward on this issue has - as you will be well aware - been notoriously difficult in the past.

It is no less easy this time.

First, at the heart of the difficulty is the fact that hitherto the Government's trade union reforms have been presented and welcomed as an extension of individual trade unionists' rights. Action on essential services would inevitably be perceived as a removal of rights. The GCHQ controversy about individual trade unionists rights could well be triggered again.

Second, at previous stages of its trade union reforms the Government has been able to point to specific abuses which needed to be put right. That is less easy to establish on this issue. The NUR abided by the proper balloting procedures etc before taking strike action.

Third, by the time that legislation will be going through Parliament the present crop of strikes should (hopefully) be over. There is a danger that contentious legislation

SECRET

could encourage some unions to "pick a fight" at a time when the Government would least want it.

Fourth, if the Government proceeds too far down this road there is a real danger of adverse linkage with the Social Charter debate in Europe. Opponents will seek to show you as the trade unions' enemy making the climate harder for you to resist the unsatisfactory features of the Social Charter.

These are not arguments for doing nothing. But they are arguments for proceeding with care, for not raising expectations about what might be possible and for avoiding going one "bridge too far", thus undermining the credibility of all our trade union legislation.

The Specific Proposals

The Department of Employment's review is now quite far advanced. There is, therefore, little point in trying to limit the scope of their review by picking and choosing the options which look most attractive at this stage. But some proposals do look more promising than others.

I am very sceptical of three of the options outlined in Norman Fowler's paper:

First, withdrawing immunity for organising any industrial action in the essential services

It would be very difficult to remove this immunity without a quid pro quo. Some form of arbitration would be required. The evidence suggests that where such a mechanism is in place then pay rises are higher than have been negotiated for other groups without such procedures.

Second, making immunity conditional on the maintenance of a minimum level of service

It would be wrong to define some minimum level of service below the norm which the Government believed to be acceptable. The Government would - at a stroke - lose the moral high ground that any strike in essential services put at risk the safety of the public.

Third, making immunity conditional on the exhaustion of established procedures

Again this looks very unattractive. Does the Government really want to encourage the spawning of unwieldy and bureaucratic arbitration machinery?

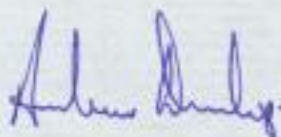
Conclusion

The rail dispute has triggered, rightly, a review of Government policy in relation to essential services. Ultimately, however, the long-term solution to this sort of dispute is by bringing inflation back under control and by deregulation and breaking up monopoly services. Legislative action will never be a substitute for this, but can support it.

The most promising proposal - which is well worth pursuing - is the proposal for a "cooling-off" period.

In one sense the dockers have had an enforced cooling-off period. The evidence is that this may have concentrated minds and may explain the fact that - from day one - the strike appears to have less than wholehearted support.

Equally the NUR would have found it less easy to avoid talking to British Rail if they had faced such a cooling-off period.



ANDREW DUNLOP

RESTRICTED



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

10 July 1989

File M

SL2AWB

Questions

PUBLIC SERVICE STRIKES

The Prime Minister has asked for information on restrictions on strikes in public services in other European Community countries. She heard on the radio that there are such restrictions in Germany and they may exist also in other countries. It may be that this information is already available in the Department of Employment. But, if not, I should be grateful if you could consult our posts in EC countries so that the Prime Minister has the information in time for Questions tomorrow, 11 July.

I am copying this letter to Clive Norris (Department of Employment).

C. D. POWELL

Richard Gozney, Esq.,
Foreign and Commonwealth Office

RESTRICTED

NB
Confidential



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377

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

7 July 1989

I am writing on behalf of the Prime Minister to thank you for your letter of 4 July with which you provided a specific suggestion for tackling the problem of strikes in essential public services. I know the Prime Minister will be most grateful to you and Charles Hanson for your work on this, and I will ensure that it is given careful consideration.

PAUL GRAY

Graham Mather, Esq.

CONFIDENTIAL



File
EM

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

7 July 1989

STRIKES IN ESSENTIAL SERVICES

I enclose a copy of a letter the Prime Minister has received from Graham Mather of the IEA. I have already acknowledged Mr Mather's letter and no further reply is needed. But I know the Prime Minister would want this particular suggestion to be taken into account in the work your Secretary of State is now doing.

PAUL GRAY

Clive Norris, Esq.,
Department of Employment

CONFIDENTIAL

RA

PRIME MINISTER

MEETING OF E(A): WEDNESDAY 12 JULY

We have had to split the E(A) business next week into two separate meetings in order to fit in with availability of the key Ministers.

The second meeting on Wednesday will take two items:

- Norman Fowler's proposals for further industrial relations reform;
- the latest position on North East Shipbuilders

Industrial relations reform

Norman Fowler has now prepared a paper on unofficial action (Flag A). This comprises a short covering paper and the draft of a consultative document that he would like to publish in September.

I have also asked Norman Fowler's office to prepare a further paper on legislation to cover industrial action in essential services, and have supplied the further material that Jack Peel has provided. A further paper on this issue for Wednesday's paper will be available early next week. Norman Fowler envisages the possibility of his proposed consultative document on unofficial action also including material on essential services.

North East Shipbuilders

As he reported at Cabinet, Tony Newton was originally envisaging a Statement on NESL on Monday. But that has now been displaced by the proposed Statement on Beer (separate papers on this are in the Box). So we have now put NESL on the agenda for Wednesday's E(A) meeting, with a view to a Statement on this on Thursday.

CONFIDENTIAL

- 2 -

Tony Newton's latest minute is at Flag B. You will see he has concluded that, having investigated the possible further bidders for the assets of NESL, none of them should be pursued, and we should revert to the original plan of closure and the full remedial package, including the proposed Enterprise Zone, (for Sunderland.) George Guise (Flag C) supports this.

PG CG

PAUL GRAY

7 July 1989

SL2AVQ

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NSPM AS 717

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Andrew Turnbull Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

6 July 1989

Dear Andrew

I understand that at a meeting of MISC 139 on Tuesday the Prime Minister expressed some concern that Horseguards Parade should be fully utilised for car parking on rail strike days.

Official car parking on Horseguards Parade is controlled by the Bailiff of the Royal Parks (DOE) and policed by the Royal Parks Constabulary. Permits are issued in blocks to departments (FCO, Northern Ireland Office, No 10, Cabinet Office, PSA, the Metropolitan Police, MOD and the army (London District) who are responsible for ensuring that they go only to essential official car users. For security reasons (the proximity of sensitive buildings) the car park cannot be used by the general public.

The capacity of the car park is about 450, if cars and barriers are squeezed up. The normal layout gives parking for some 350. Considerably more permits (754) are actually issued to departments, to ensure that full use is made of the space, given that some users work shift hours and not all users need to park every day. The Royal Parks Constabulary use the North side of the Mall as an overflow car park if too many permit holders turn up.

For rail strike days, some 50 extra permits have been issued to officials in the FCO, No 10, and MOD.

Car parking built up slowly yesterday. That was probably the result of some permit holders deciding to stagger their arrival and departure from central London (Horseguards parade is open until 10 pm) and also because some of the permit holders, from the Metropolitan Police and the services, work shift hours. At 1.30 pm however there were 404 cars.

The Royal Parks Constabulary were asked to monitor the pattern of car parking yesterday and are considering whether more cars can be accommodated next week. It would in theory be possible to suspend normal parking permits on strike days and issue special temporary permits or to ask departments to check with all their permit holders whether or not they intend to use their permits on the next strike day, thus allowing the Royal Parks Office to reallocate unused space. But that would be an expensive administrative exercise, and arguably not justified in any event given that the car park seems to be being used at near capacity.

Horseguards Parade will be available for parking on Wednesday 12 July as usual, but pressure may be greater than usual as more drivers risk bringing cars into London. The RPC will not be able to use the North side of the Mall on that day because 100 parking spaces there are being provided between 11.30 and 4 pm for a reception by the Duke of Edinburgh at St James' Palace. In the following week there is to be a State visit on Tuesday 18 July. This may coincide with a rail strike. There will be no parking at all on Horseguards on that day (because that is used for troop assembly) and none on the Mall because it is on the processional route.

/ I am copying this to Trevor Woolley in Sir Robin Butler's office.

John
Roger Bright

R BRIGHT
Private Secretary

Robert & Thel
GAY

07. VII 1941

Robert & Thel

2 wps - 10 Gales - all positive evidence - Robert & Post 2 - missing, accounted
clearly - regular flight

no forms - Time Base No 10 - alternate still model

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BR p10)

SECRET AND CMO UNTIL 31 DECEMBER 1989

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 . . . 5803
Telex 915564 Fax 01-273 5821

Secretary of State

11(a-c)
[Handwritten signature]

Prime Minister²

Paul Gray Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

RACG [Handwritten]

5 July 1989

Dear Paul,

[Handwritten signature]

INDUSTRIAL DISPUTES : MONITORING MEETING: WEDNESDAY 5 JULY 1989

My Secretary of State chaired a meeting of key Departments this morning to look at current and possible future industrial disputes in the transport sector and elsewhere. This was the fourth meeting with the broader remit. The Secretary of State for Transport was present.

The key points which emerged are recorded below:

Docks

- (a) a number of employers had already announced redundancies - 700 in total - amongst formerly registered dockworkers. Many of these were voluntary, but some would be compulsory. The timing and scale of these redundancies was unfortunate. Ministers asked for further information;
- (b) the TGWU were reportedly optimistic that they could secure a substantial majority in favour of strike action. The ballot result was still expected on Friday 7 July. Ministers needed to be ready to respond quickly to a vote in favour of a national strike.

Transport Disputes

- (a) as expected, the national railway network and the London Underground were both almost totally out of commission today;



SECRET AND CMO UNTIL 31 DECEMBER 1989

Employment Department - Training Agency
Health and Safety Executive - ACAS



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

- (b) the public hearing on the British Rail dispute before the Railway Staffs National Tribunal would start today. The taking of evidence from BR and the TSSA could well take half a day. There would then be a pause before the findings were announced, perhaps at the beginning of next week;
- (c) the result of the ASLEF ballot seeking a mandate for a ban on overtime and rest-day working on British Rail was now expected tomorrow. A vote in favour of such industrial action seemed certain;
- (d) it seemed highly unlikely that any progress could be made with the Underground dispute until there was some movement on the British Rail dispute;
- (e) the London Bus situation was confused. Some 40 per cent of buses were thought to be running today. A mass meeting of platform staff was expected tomorrow, Thursday 6 July, and it was understood that they would consider a recommendation to accept the existing pay offer. However, this was no guarantee that the dispute would end: previous recommendations of this kind had been rejected, and in addition the bus engineers were sticking out for a higher increase;
- (f) it was too early to judge how difficult journeys to work were proving today. Impressionistically, the situation seemed easier than last week. There was, however, little obvious sign of widespread car-sharing, and some of the buses hired by employers also seemed to be running below capacity. A major public relations effort, on both points, would be needed before next week's disruption.

Local Authority Staff

- (a) the response to yesterday's NALGO white-collar strike had been patchy. There had been an almost total stoppage in some authorities, and little more than token stoppages elsewhere. Further information would be available shortly. There was every reason to think that the 2-day strike scheduled for next week would go ahead;
- (b) specific information was available in respect of the meat and poultry inspection normally undertaken by NALGO members. It appeared that slaughter-houses had made contingency arrangements which had enabled them largely to surmount the problems posed by yesterday's one-day strike, but the difficulties would increase if industrial action continued;
- (c) press reports of the dispute seemed to be largely based on briefings by the union. It was vital that the employers made their views clearly known.



Secretary of State

SECRET AND CMO UNTIL 31 DECEMBER 1989

Other disputes

- (a) the industrial action on North Sea rigs was worsening. Though oil production was not yet affected, the issue would continue to receive attention because of the anniversary of the Piper Alpha disaster;
- (b) the engineering union was meeting today to decide on which firms to target their planned campaign of industrial action in support of a shorter working week.

Conclusion

Finally, the meeting noted that next week could be the most difficult yet in terms of disputes and potential disputes. There was the prospect of strikes in the docks, on the railways, on the London Underground, in local government, and perhaps on London's buses.

I am copying this letter to the Chancellor of the Exchequer, the Foreign Secretary, the Home Secretary, the Secretary of State for Transport, the Secretary of State for Trade and Industry, the Secretary of State for the Environment, the Lord President, the Secretary of State for Defence, the Secretary of State for Wales, the Secretary of State for Scotland, the Secretary of State for Northern Ireland, the Minister of Agriculture, the Secretary of State for Energy, the Attorney General, and Sir Robin Butler.

Yours sincerely,

Clive Norris

CLIVE NORRIS
Principal Private Secretary

ME



CONFIDENTIAL

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

Prime Minister

MS

②
CNS
9/7

4 July 1989

Dear Caroline

At this morning's meeting of MISC 139, the Prime Minister asked about parking on the verges of the Royal Parks.

The plan being implemented tomorrow includes the use of places in Hyde Park and Regents Park roadways. Beyond this the police advise strongly against permitting parking in other areas adjacent to the parks for security reasons. Although parking in other areas is permitted for Buckingham Palace garden parties, this is only for invited guests, whose registration numbers are known, and for a limited period. The police consider that more general use of these areas would create a substantial security risk. However, the Home Secretary has asked officials to re-examine with the police the potential for additional space on the verges of the parks in the light of tomorrow's experience.

I am copying this letter to the Private Secretaries to members of MISC 139 and to Trevor Woolley.

C J WALTERS

Ms Caroline Slocock

CONFIDENTIAL



R 4-7

The Institute of Economic Affairs

Registered No 755502 England

Charity No. CC/235 351

Limited by Guarantee

Registered Office:

2 LORD NORTH STREET LONDON SW1P 3LB

Telephone: 01-799 3745 Fax: 01-799 2137

Chairman: Lord Hare of High Cross

General Director: Graham Mather
Deputy Director: John B Wood

Research and Editorial Director: Dr Costa Veljanovski
Director of Finance and Administration: Keith C Miles FCA, MSM

Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
London SW1

4 July 1989

Dear Prime Minister
STRIKES IN ESSENTIAL SERVICES

There is much confusion about how best to tackle the problem of strikes in essential public service monopoly industries.

The legislative steps ought to:

- (1) expose trades unions to action for an injunction or damages by those affected;
- (2) not involve government intervention;
- (3) not be open to the suggestion that they remove individual workers' rights;
- (4) be compatible with earlier legislation and easy to introduce into this autumn's Bill.

My colleague Charles Hanson, with whom I have worked for several years on these issues, has drafted a single clause which shows how easy it would be to achieve this, by a further removal of immunities.

I attach a copy of the draft clause. It is a first shot and I think it proves a principle. He and I would be delighted to talk further about it if necessary.

Graham Mather

Graham Mather
General Director

Enc.

Vice-President: Arthur Selkin

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Professor Chiki Nishizawa

Professor Ivar F. Pearce
Professor Martin Ricketts
Professor Colin Robinson
Professor Roland Vaubel
Professor E. G. West
Professor Jack Wiseman
Professor Geoffrey E. Wood

"Nothing in section 13 of the 1974 Act (immunity for acts in contemplation or furtherance of a trade dispute) shall prevent an act being actionable in tort or delict in any case where the act interferes with the provision of the following services: Public health; electricity; gas; water and sewerage; fire; telephone; public transport."

PRIME MINISTER

CURRENT INDUSTRIAL DISPUTES

[Mr Channon's paper on Public Transport Disputes, MISC 139(89)3;
Cabinet Office paper of 30 June 1989]

1. You may wish to begin by reviewing quickly the Docks dispute. You might then move on to the disputes on British Rail, London Underground and London buses. If there is time, you may want to have a word about the strike by local authority staff.

THE DOCKS DISPUTE

2. You may wish to invite Mr Fowler to give an oral report on latest developments. Possible points include:

i. the Bill. The Bill abolishing the Dock Labour Scheme should now have received - or be about to receive - Royal Assent.

ii. the ballot. The results of the TGWU ballot, seeking a mandate for a national dock strike, are expected on Friday 7 July. You may wish to ask about the likely outcome: for instance, whether the majority is likely to be as high as last time, whether the results will be known port-by-port and what effect the early declaration of redundancies could have on the ballot.

iii. the strike. This could begin as early as Saturday. You may want to ask whether all Scheme ports are expected to be out. It has been reported that the employers and TGWU shop stewards have reached a local agreement at Sheerness and that another agreement is nearly ready at Poole.

iv. winding up the National Dock Labour Board. Mr Fowler's letter of 30 June to the Chief Secretary reports that the

Board have agreed to reduce their staff to a handful within three months, and seeks rapid Treasury agreement to generous terms. You may wish to encourage a quick solution.

TRANSPORT INDUSTRY DISPUTES

Cabinet Office paper

3. You may wish to check that the conclusions of the Cabinet Office assessment of the implications of an all-out strike on British Rail are agreed. Particular points are:

i. movement of coal to power stations. Stocks are high. The Department of Energy should continue to keep in close touch with the electricity industry about contingency plans.

ii. movement of oil for industrial uses. On average, most industrial users hold 14 days' stock. The Department of Energy should continue to keep in touch with the oil industry about contingency plans.

iii. commuters into central London. The effect on commuters would be immediate, particularly if there were also strikes on the underground and buses. A number of contingency plans are already being implemented.

iv. industrial supplies. The Department of Trade and Industry would be prepared to bring into operation its plans for monitoring the effects of a shutdown on industry, if Ministers so wished.

v. letter traffic. Ministers may wish the Department of Trade and Industry to ensure that the Post Office would be ready if necessary to implement some or all of its contingency plans for maintaining the letter post.

Mr Channon's paper

4. You will wish to invite Mr Channon to introduce his paper (MISC 139(89)3) which makes proposals for handling the various transport disputes.

5. On London buses, Mr Channon has told the management to stand firm and not to increase their offer. He proposes shortly to announce the speeding up of the programme to put the bus routes out to competitive tender. He has also asked London Buses to double their tendering programme so that at least a third of all routes will be covered by tender by the end of the year.

6. On London Underground, Mr Channon has told the management that they should maintain their firm stance but continue their efforts to make progress through ACAS with their productivity proposals.

7. The main issues arise on British Rail. Mr Channon anticipates that the Railway Staff National Tribunal may propose a small increase in pay for TSSA staff. The outcome should be known around the end of this week, 7 to 10 July. Mr Channon proposes that Ministers should not commit themselves to tactics until they know the decision but also says that BR will need to know very quickly whether Ministers support the management's response. You may wish to explore the thinking behind his proposed approach in paragraphs 23 and 24. For instance:

i. what would be his approach if the Tribunal award were to be a large increase for TSSA staff?

ii. the handling of the NUR and ASLEF after the TSSA award will be very important. Mr Channon proposes to ask BR not to offer any pay talks with these unions in the light of the TSSA award without first consulting him (para 23e) and adds that any increase in pay must be contained within the industry's EFL (para 23f). What approach would he take if BR wished to enter pay talks in these circumstances?

iii. The BR Board believe that railwaymen do not want an indefinite strike and that support for it would be patchy and fairly shortlived (para 14). Mr Channon proposes however that the Government should damp down speculation about management plans to shut the railway. Is there not a chance that the strike may crumble if the BR management take a tough line?

OTHER DISPUTES

8. Finally, if there is time, you may wish to ask Mr Fowler for a short report on the strike by local authority workers.

R T J WILSON
Cabinet Office
3 July 1989



FROM THE SECRETARY OF STATE

The Rt Hon Norman Fowler MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

2 MARSHAM STREET LONDON SW1P 3EB
TELEPHONE 01-276 3000

My Ref: G/PSO/9073/89

Your Ref:

Serial No: 1941

Copy No 9 of 14

Dear Norman

30 JUN 1989

WITH Pa.

Thank you for sending me a copy of your minute to the Prime Minister of 26 June, covering a draft statutory code of practice for industrial action ballots.

I agree with you that the timing of its publication will require some care, and I note that you have not yet decided on a date. It is possible that publication would have an effect on the current public transport industrial disputes, as they develop; so I would be grateful to be kept in touch with your plans.

I am sending copies of this letter to the Prime Minister and other colleagues on E(A), and to Sir Robin Butler.

Paul

PAUL CHANNON

FILE PM
7

PRIME MINISTER

INDUSTRIAL DISPUTES

Earlier this week you commissioned a Cabinet Office assessment of the implications of a shutdown of British Rail. And at Cabinet yesterday you asked Norman Fowler to convert his docks monitoring group into a wider group, reviewing all the current industrial disputes.

Papers now attached are:

Flag A - the Cabinet Office assessment on British Rail. In essence, this suggests there should be no major problems if British Rail was fully shut down. Paragraph 20 of the note reports that yesterday's meeting held by the Home Secretary did decide to put in hand arrangements for additional car-parking in London in time for next Wednesday's rail strike.

Flag B - the first of the wider daily monitoring reports from Norman Fowler's group.

I have put in hand for next Tuesday a meeting of MISC 139, your group on the docks, which is now also being extended to cover the transport disputes. If you wished that meeting could take the Cabinet Office paper at flag A.

Content?

PAUL GRAY

30 June 1989

PM2ASY

SECRET



DAS
6

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

30 June 1989

Dear Sir,

STATUTORY CODE OF PRACTICE ON
INDUSTRIAL ACTION BALLOTS

The Prime Minister was grateful for your Secretary of State's minute of 26 June with which he enclosed a revised draft statutory code of practice. She is content with his proposal shortly to lay this before Parliament.

I am copying this letter to the Private Secretaries to members of E(A) and to Sir Robin Butler.

Yours faithfully
Paul Gray
PAUL GRAY

Clive Norris, Esq.
Department of Employment

SECRET

2

PRIME MINISTER

STATUTORY CODE OF PRACTICE FOR TRADE UNION BALLOTS

You agreed last autumn that Norman Fowler should issue for consultation a draft Statutory Code on the conduct of trade union ballots on industrial action.

His latest minute (Flag A) now seeks agreement to a revised version of the Code to go forward for affirmative resolution in both Houses. The draft has been shortened and tightened up, but its main essentials are unchanged.

Andrew Dunlop's minute at Flag B draws attention to two detailed changes embodied in the Code:

- it now omits the suggestion that no ballot should be held unless the union had assessed whether there was sufficient demand to justify holding one;
- it also omits the earlier suggestion that a union might not feel justified in authorising industrial action if the ballot turn-out was less than 70 per cent.

Andrew suggests that both these changes are sensible and recommends you to support the revised draft.

Content?

PLG

PAUL GRAY

29 June 1989

TRADE UNION CODE OF PRACTICE

Norman Fowler's minute (26 June) seeks the Prime Minister's agreement to a revised code on the conduct of strike ballots.

I have no great problems with it.

The key areas for most employers are (a) ensuring that the ballot is secret and (b) that the counting is secure. In substance, these areas remain largely unchanged from the original draft.

Most of the changes are of a presentational nature and have done much to simplify the text.

There are, however, two main changes of substance:

First, assessing demand for a ballot. The original draft stated that no ballot should be held unless the union had assessed whether there was "sufficient demand from its members to justify holding one". This is omitted from the revised draft.

This is probably right:

- many employers (including the CBI) felt that this provision - effectively a ballot on holding a ballot - was unnecessary;
- a union would, in any case, be unlikely to hold a ballot unless it felt there was a reasonable chance of success;

- the method by which a union would assess demand might actually be counter-productive (if, for example, it was assessed by a straw poll at a mass meeting).

Second, turn-out. The original draft stated that a union may not feel justified in authorising industrial action if turn-out in the ballot is less than 70 per cent.

The intent of this was to encourage good practice to prevent a situation in which a small militant minority of those entitled to vote could - by achieving a bare majority of the votes cast on a low turn-out - commit an entire union to strike action.

The revised draft (para 54e) is less specific. It states only that: "the size of (the) majority and the number of those voting in the ballot relative to those given entitlement to vote" should be taken into consideration before a union authorises strike action.

This revised formulation has a number of advantages;

- Presentationally it is better not to specify a figure which is - in any case - rather arbitrary;
- It avoids the accusation of unfairness. Labour and the TUC could argue otherwise that the Government was trying to promote a practice which is not even required to validate Parliamentary elections;
- It responds to the CBI's concern that the inclusion of a specific reference to 70 per cent would weaken the credibility of the rest of the code.

CONCLUSION

The revised draft maintains the broad thrust of the original. It is shorter and more simple, bringing out more clearly what is required by law and what is merely good practice. Changes of substance have been kept to a minimum. Those changes which have been made should improve the overall credibility of the Code.

I recommend that the Prime Minister supports the revised draft.

A handwritten signature in blue ink, consisting of a stylized 'A' followed by 'D' and 'L'.

ANDREW DUNLOP

Secretary of State
for Employment14/1/69
4 (A-mm) A

PRIME MINISTER

I am writing to let you know that, subject to your approval, I propose shortly to lay before Parliament a draft statutory code of practice to promote desirable practices in relation to the conduct by trade unions of industrial action ballots.

Following your Private Secretary's letter of 31 October, I published (on 3 November) a draft statutory code "Trade union ballots on industrial action". The representations made during the period allowed for consultation on the draft have persuaded me that it should be revised in a number of respects. I attach a copy of the revised draft which makes the code much shorter, and distinguishes more clearly between passages re-stating the requirements of the law and those which describe "good practice". A number of other changes have been made but in its essentials the main thrust of the revision is the same as that of the original draft.

The code will remain a draft until approved by affirmative resolutions of both Houses, following which it can be brought into effect by order. The code itself cannot impose any legal obligation, and failure to observe it will not by itself render anyone liable to proceedings. The code will, however, be admissible in evidence and taken into account in relevant proceedings.

The revised draft is likely to be portrayed by the TUC as imposing further curbs on the ability of trade unions to organise industrial action. Its publication could be expected to influence unions conducting or embarking upon ballots even before it obtains its full statutory status. In addition, it could well be helpful to those contemplating proceedings based on a union's failure to observe the current statutory requirements, for example by indicating what steps should normally be taken to ensure secrecy of voting and accurate

SECRET



Secretary of State
for Employment

B

counting of votes. I believe we could expect both the CBI and the EEF, and employers generally, to support the revised draft code.

The revised code will represent a further step in the Government's industrial relations strategy, and the timing of its publication will require some care. I would welcome your agreement to the attached revised draft no later than Friday, 30 June. Once it has been printed, I shall consider the most appropriate time for publication.

As you know, the Green Paper "Removing Barriers to Employment" says (paragraph 3.16) that if a code is brought into effect we will carefully consider any evidence that unions fail to take into account its recommendations about good practice, or fail to apply them where it is appropriate and practicable to do so. Such evidence might, in due course, provide a basis for proposing changes to the statutory requirements on industrial action balloting.

I am copying this to other members of E(A) and Sir Robin Butler.

26th June 1989 NF

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Code of Practice

TRADE UNION BALLOTS ON INDUSTRIAL ACTION

Employment Department
1989

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Code of Practice

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This Code [from pages 1 to XX] is issued with the authority of Parliament (resolutions passed on [DATE TO BE INSERTED AS APPLICABLE] by the House of Commons and on [DATE TO BE INSERTED AS APPLICABLE] by the House of Lords). It comes into effect by order of the Secretary of State on [DATE TO BE INSERTED AS APPLICABLE].

The inside back cover of this edition of the Code lists certain Department of Employment booklets which may also offer useful guidance on relevant aspects of industrial relations law.

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CONTENTS

	<u>Page(s)</u>
PREAMBLE	1
SECTION A	2-XX
Introduction	
Scope	
Legal status	
SECTION B	XX-XX
Whether an industrial action ballot would be appropriate	
Observing procedure agreements	
Other relevant considerations	
Informing the employer (or employers)	
Balloting by more than one union	
SECTION C	XX-XX
Preparing for an industrial action ballot	
Establishing entitlement to vote (the "balloting constituency")	
Reviewing the "balloting constituency"	
The balloting method	
Arrangements for independent scrutiny	
Preparing voting papers	
Printing and distribution of the voting papers	
Communication with members	

	<u>Pages</u>
SECTION D	XX-XX
Holding an industrial action ballot	
Avoiding interference with, or constraint on, those entitled to vote	
Enabling those entitled to vote to do so at no direct cost to themselves	
Ensuring that all those entitled to vote receive a voting paper and have a convenient opportunity to vote	
Ensuring secrecy of voting	

SECTION E	XX-XX
Following an industrial action ballot	
Counting votes accurately and fairly	
Announcing details of the result of a ballot	
Deciding on action a union may take after a ballot indicates a majority prepared to take part in (or continue with) industrial action	
If the union decides to authorise or endorse industrial action	
Seeking union members' views after a union has authorised or endorsed industrial action	

<u>Annex A</u>	XX-XX
Trade union liability	

PREAMBLE

The legal framework within which the Code will operate is explained in Annex A and in the main text of the Code. However, the legal effect of the relevant statutory provisions cannot be influenced by the Code, and while every effort has been made to ensure that explanations included in the Code are accurate, only the courts can give authoritative interpretations of the law.

The Code's provisions apply equally to men and to women, but for simplicity the masculine pronoun is used throughout. Wherever it appears in the Code the word "court" is used to mean the High Court in England and Wales and the Court of Session in Scotland, but without prejudice to the Code's relevance to any proceedings before any other court.

Passages in this Code which are printed on a light blue background are re-statements of provisions in primary legislation.

SECTION A

INTRODUCTION

1. The purpose of this Code is to provide practical guidance to promote the improvement of industrial relations and desirable practices in relation to the conduct by trade unions of ballots about industrial action.

2. The Code should assist unions and their members who are directly involved in such ballots, and employers, and their customers and suppliers, who may be affected by industrial action organised by a union.

3. A union is only legally responsible for organising industrial action if it "authorises or endorses" the action. Authorisation would take place before the industrial action starts, and endorsement after it has previously started as unofficial action(1).

Scope

4. The Code is concerned with ballots on industrial action which may protect a union from an application to the court by:-

(a) a member (under section 1 of the Employment Act 1988); or

(b) an employer, or customer or supplier of an employer, who may be damaged by a union's inducement of members to

(1) A note on trade union liability is set out in Annex A to the Code.

break or interfere with the performance of employment contracts (relying on section 10 of the Trade Union Act 1984).

5. Failure to hold a ballot which satisfies the requirements of section 11 of the Trade Union Act 1984 (as amended by the Employment Act 1988) will deprive the union of protection against legal action by an employer, customer or supplier, or by a member.

6. The Code does not apply to union election ballots or ballots on union political funds. Separate statutory requirements have to be met in respect of such ballots.

Legal status

7. The Code itself imposes no legal obligations and failure to observe it does not by itself render anyone liable to proceedings. But section 3(8) of the Employment Act 1980 provides that any provisions of the Code are to be admissible in evidence and are to be taken into account in proceedings before any court where it considers them relevant.

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SECTION B

WHETHER AN INDUSTRIAL ACTION BALLOT WOULD BE APPROPRIATE

Observing procedure agreements

8. An industrial action ballot should not take place until:-

(a) any agreed procedures, either formal or informal, which might lead to the resolution of a dispute without the need for industrial action have been completed; or

(b) where no such procedures are available, or have been exhausted, consideration has been given to resolving the dispute by other means, including where practicable seeking assistance from the Advisory, Conciliation and Arbitration Service (ACAS).

Other relevant considerations

9. A union should hold a ballot on industrial action only if:-

(a) it is contemplating authorising or endorsing industrial action; and

(b) it would be lawful for the union to organise the industrial action concerned if the statutory requirements in respect of the ballot were satisfied(1).

(1) It is unlawful, for example, for a trade union to organise indiscriminate secondary action, unlawful picketing or action to further a dispute which does not come within the definition of a "trade dispute" set out in section 29 of the Trade Union and Labour Relations Act 1974 (as amended by the Employment Act 1982).

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10. A union may wish to obtain its members' views about something other than their willingness to take part in, or continue with, industrial action - for example its negotiating position or an offer made by an employer. Such a ballot should be combined with an industrial action ballot only when the union is contemplating the authorisation or endorsement of industrial action.

Informing the employer (or employers)

11. So far as practicable, a union should inform every employer whose workers may be given entitlement to vote of its intention to hold the ballot.

Balloting by more than one union

12. Wherever more than one union decides that it wishes to ballot members working for the same employer in connection with the same dispute or potential dispute, the arrangements for the different ballots should be co-ordinated so that, as far as practicable, they are held at the same time and the results are announced simultaneously.

SECTION C

PREPARING FOR AN INDUSTRIAL ACTION BALLOT

Establishing entitlement to vote (the "balloting constituency")

13. The law requires that entitlement to vote in the ballot must be given to all the union's members who it is reasonable at the time of the ballot for the union to believe will be induced (whether that inducement will be successful or not) to take part in or continue with the industrial action, and to no other member(1).

14. The relevant individual, individuals or body in the union who would authorise or endorse the industrial action with which the ballot is concerned should have responsibility for establishing the proper "balloting constituency" for the ballot in accordance with the statutory requirements described in paragraph 13 above.

Reviewing the "balloting constituency"

15. The law requires that, in some circumstances, one or more separate place of work ballots must be held. The law requires that certain conditions must be satisfied wherever a union proposes to conduct an industrial action ballot in such a way that votes by its members in the "balloting constituency" who have different places of work(2) are to be aggregated. They will be satisfied if, at the time of the ballot, it is reasonable for the

(1) The union may choose whether or not to give a vote to any, "overseas member", ie any member (other than a merchant seaman or offshore worker) who is outside Great Britain for the whole of the voting period.

(2) In this context "place of work" means the premises occupied by an employer at which a member works or with which he has the closest connection.

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union to believe (and it does believe) that those whose votes are to be aggregated form a group consisting of:-

- (a) all of its members;
- (b) all of its members employed by one or more employers; or
- (c) members who each share a "common distinguishing factor". For these purposes a "factor" is one which relates to the member's terms and conditions of employment or occupational description but which is not consequent upon the member's place of work alone. It is "common" if it is shared with one or more of the other members in the group whose votes are to be aggregated. It is "distinguishing" if it is not shared with any member employed by the same employer who is not entitled to vote.

16. Where the "balloting constituency" covers members of a union with different places of work then, to the extent that the requirements described in paragraph 15 are not satisfied, a separate place of work ballot (or ballots) will be necessary. It will be unlawful for the union to organise industrial action at any such place of work where a majority of those voting have not voted "yes" in response to the relevant required question (or questions) (see paragraph 26 below).

17. Aggregation of votes by those properly given entitlement to vote in a ballot across different places of work would satisfy the statutory requirements if (and to the extent that) such aggregation covered, for example:-

- (a) all of a union's members employed in a particular occupation by the same employer or a number of employers; or

(b) all of a union's members who share a particular term or condition of employment because their terms and conditions are determined by the same established collective bargaining arrangements(3).

* The process of review

18. The union should review against the statutory requirements described in paragraphs 15 and 16 above any part of the "balloting constituency" for which it proposes to aggregate votes across different places of work. The relevant individual, individuals or body in the union who would authorise or endorse the industrial action should decide if votes are going to be aggregated in this way.

The balloting method

19. The law requires that a ballot must be conducted by:-

(a) postal voting;

(b) members casting votes at their workplace or a place more convenient to them; or

(c) a mix of these methods as permitted by the law.

The law allows a union to give any or all of those entitled to vote the opportunity of voting either by post or at their workplace or a place more convenient to them as they choose.

(3) Other such "common distinguishing factors" could apply in particular circumstances. Votes can be aggregated across groups with different common factors provided that they are "distinguishing factors" for each group as described in paragraph 15 above.

20. A union is free to decide which of these methods, or what mix of methods, will be used for the ballot. It should, however, consider the guidance set out below and apply its recommendations:-

(a) "fully-postal" balloting should be the preferred choice wherever the ballot is about the authorisation of industrial action by a union or wherever the "balloting constituency" (see paragraph 13 above) covers all the members of the union, unless this is impracticable in the time available (for example because it is necessary to obtain members' views sooner than its use would allow);

(b) "semi-postal" balloting - where voting papers are made available at the workplace or some other more convenient location, but are returned by voters by post to a central point for counting - should normally be the choice in circumstances where a "fully-postal" ballot is not considered practicable;

(c) "workplace balloting" - where votes are cast at the workplace or at some other more convenient location - might be a suitable method where, for example:

- only a few union members are entitled to vote and/or the locations where balloting would actually take place are few; or

- speed of obtaining the voters' response is of the essence.

21. Where the union decides to use "workplace" balloting in accordance with the Code, the employer (or employers) of the union's members given entitlement to vote should consider whether the provision of such facilities as would assist the proper

conduct of the ballot, in accordance with good industrial relations practices and the requirements of the law, should be made available to the union(4).

Arrangements for independent scrutiny

22. Whatever method of balloting is used, the union should ensure that adequate arrangements are made for independent scrutiny to oversee the ballot and for an independent scrutineer to report on its conduct. Any such report should be in writing, and be made available to the union's members on demand after the ballot has taken place.

23. Any person or body eligible to act as an independent scrutineer for statutory union election and political fund ballots would be suitable to act as an independent scrutineer for an industrial action ballot. Where it is not practicable to make such arrangements, the union should consider other arrangements, such as having the ballot scrutinised by one or more individuals who are neither directly affected by the dispute or potential dispute to which the ballot relates, nor union officials who regularly represent any of those entitled to vote in the ballot.

(4) Section 2 of the Employment Act 1980 puts an obligation on employers to comply as far as reasonably practicable with a request to use their premises for the purpose of giving their employees a convenient opportunity of voting in a secret ballot on industrial action. This statutory obligation applies to employers who have more than 20 employees, where an independent trade union which is recognised to some extent for collective bargaining purposes proposes that a qualifying ballot should be held and the application for use of premises is made by an authorised representative of the trade union. It does not require the employer to do anything more than permit premises to be used; there is no obligation, for example, to allow employees time off work to vote in a workplace (or any other) ballot. Employers may, however, consider that it will accord with good industrial relations practice to make facilities available.

Preparing voting papers

24. The law requires that whatever the voting method adopted, votes must be recorded only by the individual voter marking a voting paper.

25. The law requires that the voting paper must make clear whether voters are being asked if they are prepared to take part in industrial action which consists of a strike, or of action short of a strike.

* Presentation of question (or questions) on voting papers

26. While the question (or questions) may be framed in different ways, the law requires that the voter must be asked whether he is willing to take part in or continue with the industrial action the union may authorise or endorse. If the union's inducement of a voter might be to take strike or non-strike action, separate questions in respect of each type of action must appear on the voting paper.

27. The relevant required question (or questions) should be simply expressed and appear on the voting paper separately from any other question that might also appear. Voters should not be misled or confused by the framing of the required question (or questions). They should not be led to believe, for example, that they are being asked to agree to an opinion about the union's view of the merits of the dispute or potential dispute. Nor should a voter be asked if he is prepared to "support" industrial action as part of the question which asks him if he is prepared to take part in or continue with it.

* Presentation of information on voting papers

28. The union should ensure that neither the required question (or questions), nor anything else which appears on the voting paper, is presented in a way which might encourage a voter to answer one way rather than another as a result of that presentation.

* Statement which must appear on every voting paper

29. The law requires that the following words must appear on every voting paper:-

"If you take part in a strike or other industrial action, you may be in breach of your contract of employment."

This statement must not be qualified or commented upon by anything else on the voting paper.

* Examples of a voting papers

30. The union should include on the voting papers information to protect the security of the balloting process. Examples of voting papers containing such information are set out in Figure 1 and Figure 2 of the Code. The first example is of a voting paper for a postal ballot on taking part in industrial action short of a strike. The second is of a voting paper for a workplace ballot on taking part in strike and/or non-strike industrial action. In both cases factual information as indicated would appear in the square brackets.

FIGURE 1

EXAMPLE OF VOTING PAPER FOR POSTAL BALLOT
ON TAKING NON-STRIKE ACTION

[VOTING PAPER NUMBER]

[NAME OF THE TRADE UNION]

If you take part in a strike or other industrial action, you may be in breach of your contract of employment.

ARE YOU PREPARED TO TAKE PART IN INDUSTRIAL ACTION SHORT OF A STRIKE?

YES | |

NO | |

Notes

This voting paper asks if you are prepared to take part in industrial action short of a strike if the union calls on you to do so within four weeks from [DATE OF LAST DAY ON WHICH VOTES MAY BE CAST IN THE BALLOT].

If your vote is to count, this voting paper must be returned to [FULL ADDRESS OF LOCATION TO WHICH THE VOTING PAPER IS TO BE RETURNED] by [FULL DATE AND TIME AS APPROPRIATE]. Please use the enclosed pre-paid envelope provided for this purpose.

The law requires your union to ensure that in this ballot: (i) your vote will be secret; (ii) you are allowed to vote without interference from, or constraint imposed by, the union or any of its members, officials or employees; (iii) you are able to vote at no direct cost to yourself; and (iv) your vote is accurately and fairly counted in determining the result of the ballot.



FIGURE 2

EXAMPLE OF VOTING PAPER FOR WORKPLACE BALLOT
ON TAKING STRIKE AND/OR NON-STRIKE ACTION

[VOTING PAPER NUMBER]

[NAME OF THE TRADE UNION]

If you take part in a strike or other industrial action, you may be in breach of your contract of employment.

ARE YOU PREPARED TO TAKE PART IN INDUSTRIAL ACTION CONSISTING OF A STRIKE?

YES | |

NO | |

ARE YOU PREPARED TO TAKE PART IN INDUSTRIAL ACTION SHORT OF A STRIKE?

YES | |

NO | |

Notes

This voting paper asks you if you are prepared to take part in strike and/or non-strike action if the union calls on you to do so within four weeks from [DATE OF LAST DAY ON WHICH VOTES MAY BE CAST IN THE BALLOT].

Votes may be cast in this ballot at [DETAILS OF LOCATION] from [APPROPRIATE DATE AND TIME] to [APPROPRIATE DATE AND TIME].

The law requires your union to ensure that in this ballot: (i) your vote will be secret; (ii) you are allowed to vote without interference from, or constraint imposed by, the union or any of its members, officials or employees; (iii) you are able to vote at no direct cost to yourself; and (iv) your vote is accurately and fairly counted in determining the result of the ballot.

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Printing and distribution of the voting papers

31. Arrangements for the production and distribution of the voting papers should be such as to ensure that no mistakes are made which might invalidate the ballot through a failure to satisfy the statutory requirements. The union should seek the advice of any independent scrutineer appointed in connection with the ballot about appropriate arrangements for the printing and distribution of voting papers and be guided by any such advice offered.

32. If there is no independent scrutineer (see paragraphs 22 and 23 above), or if a union decides that it cannot follow the advice offered by such a scrutineer, it should in any case consider:-

(a) numbering all voting papers in a continuous sequence that can, if necessary, be checked later against the roll of those voting. This should be done in a manner consistent with the requirement to allow voters to cast their votes in secret (see paragraph 35(d) in Section D of the Code);

(b) printing the voting papers on a security background to prevent duplication;

(c) whether the arrangements proposed for printing (or otherwise preparing) the voting papers, and for their distribution to those entitled to vote in the ballot, offer all concerned sufficient assurance of security.

Communication with members

33. A union should give relevant information to its members entitled to vote in the ballot, including:-

- (a) the background to the ballot and the issues to which the dispute relates;
- (b) how the voting papers will be distributed and returned;
- (c) the nature and timing of the industrial action which the union may be prepared to authorise or endorse depending on the ballot result;
- (d) any considerations in respect of turnout or size of the majority vote in the ballot that will be relevant to the decision on whether to authorise or endorse industrial action after the ballot;
- (e) the potential consequences for workers of taking industrial action.

A union is free to communicate with its members in a lawful manner and by lawful means. In connection with a ballot it should consider doing so by special notices or meetings.

34. A union should take steps to ensure that any information it supplies to members in connection with the ballot is accurate and does not mislead voters in the process of forming their opinions about which way to vote. The union should consider:-

- (a) preparing a standard statement for inclusion with information issued in connection with the ballot about the possible effects on individual workers of taking industrial action (such as employees' loss of their right to take a case of unfair dismissal to an industrial tribunal if they are dismissed while taking industrial action); and

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(b) making arrangements which will enable it to review any information which its members, officials or employees propose to issue in connection with a ballot or ballot voting papers to ensure its factual accuracy.

SECTION D

HOLDING AN INDUSTRIAL ACTION BALLOT

35. The law requires that in an industrial action ballot:-

(a) the method of voting must be by the marking of a voting paper by the person voting. No other method of voting will satisfy the statutory requirements; for example a "show of hands" is not sufficient even if it appears to show overwhelming support for taking industrial action;

(b) every person properly entitled to vote must be allowed to do so without interference from, or constraint imposed by, the union or any of its members, officials or employees;

(c) as far as reasonably practicable, every person properly entitled to vote must be:-

(i) allowed to do so without incurring any direct cost to himself;

(ii) given a voting paper and a convenient opportunity to vote; and

(d) as far as reasonably practicable the ballot must be conducted in such a way as to ensure that those voting do so in secret.

Avoiding interference with, or constraint on, those entitled to vote

36. The union should ensure that all of its members, officials and employees who might - even inadvertently - interfere with or constrain those entitled to vote in an industrial action ballot are aware of the potential consequences (ie that the ballot will fail to satisfy the statutory requirements) if their behaviour is regarded as having either of these effects.

Enabling those properly entitled to vote to do so at no direct cost to themselves

37. The union should make arrangements so that:-

(a) where "fully-" or "semi-postal" balloting methods are used, those properly entitled to vote are supplied with pre-paid reply envelopes with the voting paper so that they do not have to incur any postal costs themselves in order to vote;

(b) where the "workplace" balloting method is used, the time allowed for voters to collect their voting papers and to cast votes is outside the normal working hours of those properly entitled to vote if that is necessary to ensure that they do not risk losing pay as a consequence of participating in the ballot.

Ensuring that all those entitled to vote receive a voting paper and have a convenient opportunity to vote

38. Whatever method of balloting is adopted, the union should, make arrangements so that:-

(a) each of its members properly entitled to vote (see paragraph 13 in Section C of the Code) is on the

relevant voters' list, and is supplied with a voting paper(1); and

(b) advice is given to those entitled to vote, well in advance, of where, when and how the balloting will take place.

* Period to be allowed for "postal" and "semi-postal" balloting

39. For "fully-" and "semi-postal" balloting the period between distribution of voting papers and the date by which completed voting papers should be returned should allow at least:-

(a) seven days if voting papers are distributed and returned by first class post;

(b) fourteen days if second class post is used for either the distribution or return of voting papers.

* Checks on number of voting papers for return by post

40. The union should establish an appropriate checking system so that:-

(a) no-one properly entitled to vote (see paragraph 13 in Section C of the Code) is accidentally disenfranchised; and

(b) no uncompleted voting paper comes into the hands of anyone not properly entitled to vote who might use it to cast a vote to which he is not entitled.

(1) If "semi-postal" balloting is used, special arrangements may be needed for members who are on holiday, sickness or maternity leave during the time when the balloting will be taking place so that they can receive voting papers.

Advice on these matters should be sought from any independent scrutineer appointed in connection with the ballot (see paragraphs 22 and 23 in Section C of the Code).

* Arrangements for "workplace" balloting

41. For "workplace" balloting:-

(a) postal voting papers should be provided to anyone properly entitled to vote who is known to be unable either to collect his voting paper at the time or location where they are issued or to cast his vote at the location where "workplace" balloting is to take place; any such special distribution of any voting paper should be recorded so as to avoid duplicating its issue and to allow sufficient time for its return when completed;

(b) arrangements for independent scrutiny (see paragraphs 22 and 23 in Section C of the Code) should be made for every location where votes are cast;

(c) the actual issue of voting papers to voters should not be entrusted to one member of the union alone (unless that person is acting as an independent scrutineer of the ballot), nor to anyone who is directly affected by the dispute or potential dispute to which the ballot relates or who is a union official who regularly represents any of those entitled to vote in the ballot;

(d) everyone properly entitled to vote (see paragraph 13 in Section C of the Code) should be advised where and when balloting will take place, and what identification

will be required in order to establish entitlement to vote at the location where his vote may be cast;

(e) the time allowed for balloting should take into account the working hours of all those properly entitled to vote and allow them adequate time to cast their votes if they wish to do so.

Ensuring secrecy of voting

42. In all ballots, conducted by whatever method, any list of those entitled to vote should be compiled, and the voting papers themselves handled, so as to preserve the anonymity of the voter so far as this is consistent with the proper conduct of the ballot.

* "Fully-" and "semi-postal" ballots

43. The union should take sufficient steps to ensure that a voter's anonymity is preserved when a voting paper is returned by post. This means, for example, that:-

(a) envelopes in which voting papers are to be posted should have no distinguishing marks from which the identity of the voter could be established;

(b) the procedures for counting voting papers returned by post (see paragraphs 47 and 48 in Section E of the Code) should not prejudice the statutory requirement for secret voting.

* "Workplace" ballots

44. The union should make the following arrangements:-

(a) voting should take place in a room or area where there is privacy for the voter to mark his voting paper and cast his vote;

(b) no-one should be allowed in that room or area at the time when voting is taking place except those issuing voting papers, any independent scrutineer appointed in connection with the ballot, and those properly entitled to vote; once the voter has cast his vote he should leave the room or area;

(c) a single, secure and locked receptacle ("ballot box") should be provided in the room or area used for voting at the time when voting is taking place, with its key held by someone not directly involved with the result of the ballot, such as an independent scrutineer overseeing the balloting process; completed voting papers should be placed in that receptacle by the voter personally;

(d) if the completed voting papers are to be taken out of a "ballot box" and then posted (or otherwise sent) all together to a central location for counting, then each voter should be given a sealable envelope in which to put his completed voting paper, the envelope should be placed into a locked "ballot box" as described above, and at the end of the voting period all such envelopes should be transferred unopened to the central location.

SECTION E

FOLLOWING AN INDUSTRIAL ACTION BALLOT

45. The law requires that the union must:-

(a) ensure that the votes given in an industrial action ballot are fairly and accurately counted; any inaccuracy in such counting may only be disregarded if it is both accidental and on a scale which could not affect the result of the ballot; and

(b) observe its obligations in connection with the notification of details of the result of an industrial action ballot to all those properly entitled to vote in that ballot.

46. Even if the result of a properly-conducted ballot shows that a majority of those voting are willing to take part in (or continue with) industrial action, there is no statutory obligation on the union to authorise or endorse industrial action.

Counting votes accurately and fairly

47. The union should consider and apply, the following procedures:-

(a) destruction of all unused or unissued voting papers as soon as possible after the time allowed for voting has passed and the necessary information for checking the number of voting papers issued and used has been prepared;

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- (b) rejection of completed voting papers received after the official close of voting or the time set for receipt of such papers;
- (c) settlement well in advance of the actual ballot of the organisational arrangements for conducting the count of votes cast, and making available equipment or facilities needed in the conduct of the count to those concerned;
- (d) proper briefing of all those involved in the counting process, particularly those doing the actual counting of completed voting papers, as to their responsibilities, including the statutory requirements described in paragraph 45 above;
- (e) delaying the counting of votes at any one location until all the voting papers to be counted at that location have been received;
- (f) storage of all voting papers received by post at the counting location in a locked and secure room as soon as they arrive, and keeping them under such secure conditions until removed for counting;
- (g) making an individual - someone who is neither directly affected by the dispute or potential dispute to which the ballot relates, nor is a union official who regularly represents any of those entitled to vote in the ballot - responsible for adjudicating on any voting paper which those doing the actual counting propose to reject as "spoiled", and ensuring that those doing the actual counting refer any such voting paper about which they are in doubt to the adjudicator;

(h) if voting papers arrive at the counting location in envelopes, regular removal of such envelopes from the counting area once they have been opened and voting papers removed for counting;

(i) locking and securing the counting room during the period during which votes are to be counted whenever counting staff are not actually at work ;

(j) ensuring that counting staff are not disturbed or distracted by any person with a particular interest in the result of the ballot during the process of the count;

(k) storage of voting papers, once counted, under secure conditions (ie so that they cannot be tampered with in any way and are available for checking if necessary) for at least 6 months after the ballot;

(l) where ballot boxes (or equivalent receptacles) are to be transferred from a voting location to any other place before votes are counted, this should be done in such a way as to avoid the possibility of interference.

* Independent scrutiny

48. The union should consider the appointment of one or more independent scrutineers (see paragraphs 22 and 23 in Section C of the Code) and seek advice from them about suitable arrangements to meet the requirements for accurate and fair counting of votes. The union should also consider putting the counting exercise as a whole into the hands of an independent scrutineer.

Announcing details of the result of a ballot

49. The law requires that a union must, as soon as reasonably practicable after holding an industrial action ballot, take steps to inform all those properly entitled to vote(1) of the number of:-

- (a) votes cast in the ballot;
- (b) individuals answering "Yes" to the required question (or questions);
- (c) individuals answering "No" to the required question (or questions); and
- (d) spoiled ballot papers.

Where separate place of work ballots are required (see paragraphs 15 and 16 in Section C of the Code) these details must be notified separately for each such place of work to those entitled to vote at that place.

50. To help ensure that its result can be notified as required, the union should consider, for example:-

- (a) designating a "Returning Officer" for the centralised count of votes cast in the ballot (or separate "Returning Officers" for counts conducted at different locations) to whom the results will be

(1) If overseas members of a trade union have been given entitlement to vote in an industrial action ballot the detailed information about its result need not be sent to them, but the information supplied to non-overseas members in accordance with the statutory requirements must distinguish between votes cast, individuals voting, and spoiled ballot papers to show which details relate to overseas, and which to non-overseas, members.

notified in the form required prior to their announcement;

(b) organising the counting of votes in such a way that the information required to satisfy the relevant statutory requirements can be easily obtained after the counting process is completed;

(c) utilising its own journals, local communications news-sheets, company or union branch noticeboards to publicise the details of the ballot result.

51. The union should not proceed to authorise or endorse industrial action without first taking steps to satisfy the statutory requirements for notifying details of the result of a ballot.

* Responding to requests for details of the ballot

52. The union should respond positively (and in writing when so requested) to a request from any employer whose workers participated in the industrial action ballot, and/or any employers' association representing such employers, for such details of the ballot result as the law requires a union to provide to those entitled to vote in the ballot.

Deciding on action a union may take after a ballot indicates a majority prepared to take part in (or continue with) industrial action

53. The union should consider all options other than authorising or endorsing industrial action as a means of resolving the dispute or potential dispute which led to the ballot being held.

* Relevant considerations

54. In considering what action might be taken the individual, individuals or body who would authorise or endorse the industrial action on behalf of the union should take into account, for example:-

- (a) the serious consequences (such as risk of dismissal from employment) which may follow for union members if they embark on industrial action on the union's instruction or advice;
- (b) any changes in circumstances, such as developments in negotiations or in the offer made by an employer, since the time when the ballot was taken;
- (c) the willingness of the employer (or employers) concerned to enter into further negotiations or discussions;
- (d) the possibilities of using the services of the Advisory, Conciliation and Arbitration Service (ACAS);
- (e) the size of that majority and the number of those voting in the ballot relative to those given entitlement to vote;
- (f) that four weeks is allowed from the date of the ballot (ie the last day on which votes may be cast in the ballot) during which the industrial action may be induced.

If the union decides to authorise or endorse industrial action

55. If the union decides to authorise or endorse industrial action by its members, it should inform:-

(a) all its members concerned of its decision to authorise or endorse industrial action, and its reasons for doing so, before inducing them to take or continue that action; and

(b) any employer whose workers' industrial action has been authorised or endorsed of the union's decision to do so, allowing sufficient time before any consequent inducement by the union takes place for the employer to make any necessary arrangements to ensure that there is no risk to the health and safety of other workers, or the general public, as a result of the consequences of "official" industrial action.

Seeking union members' views after a union has authorised or endorsed industrial action

56. There is no statutory obligation on a union to ballot, or otherwise consult, its members before it decides to withdraw authorisation or endorsement of industrial action. However, if a union decides to seek its members' views about continuing with industrial action it has authorised or endorsed, the same standards should be applied to the process of seeking their views as are set out in this Code.

U

ANNEX A

TRADE UNION LIABILITY

1. Section 15 of the Employment Act 1982 lays down when a union is to be held responsible for the act of inducing or threatening a breach or interference with a contract when there is no immunity. The union will be held liable for any such act which is authorised or endorsed by its Executive Committee, its General Secretary or President, or any other person given power under the union's rules to do the act.

2. In addition, the union will be held liable for any such act which is authorised or endorsed by any official employed by the union, or any committee to which one of these officials regularly reports, except where:-

- the official or committee who authorised or endorsed the act was forbidden to do so by the union's own rules; or

- the act is "repudiated" by the Executive Committee, the General Secretary or the President; this repudiation must be delivered in writing and as quickly as is practicable.

Moreover, the act will not be regarded as having been repudiated if the Executive Committee, General Secretary or President subsequently behave in a manner which is inconsistent with having repudiated it.

3. The fact that a union is responsible for organising industrial action to which immunity does not apply does not prevent legal action also being taken against the individual organisers of that action.

"Immunity"

4. A trade union which organises (ie authorises or endorses) industrial action without satisfying the requirements of section 10 of the Trade Union Act 1984 (as amended by the Employment Act 1988) will have no "immunity". Without "immunity" the trade union will be at risk of legal action by any employer (and/or a customer or supplier of such an employer) who suffers (or may suffer) damage as a consequence of the trade union's unlawful inducement to his workers to break or interfere with the performance of contracts. Such legal action might result in a court order requiring the trade union not to proceed with, and/or desist from, the unlawful inducement of its members to take part or continue with the action and/or to pay damages for the effects of its unlawful inducement.

Section 1 of the Employment Act 1988

5. If any of the requirements of section 1 of the Employment Act 1988 are not satisfied a member of the trade union who is, or is likely to be, induced by the union to take industrial action may apply to the court. Such legal action might result in a court order requiring the trade union to take steps to ensure that there is no, or no further, unlawful inducement to members to take part or continue to take part in the action, and that no member does anything after the order is made as a result of unlawful inducement prior to the making of the order. The Commissioner for the Rights of Trade Union Members may assist a member of the trade union in connection with such proceedings.

Section 11 of the Trade Union Act 1984

6. Failure to satisfy any one of the requirements of section 11 of the Trade Union Act 1984 (as amended by the Employment Act 1988) will deprive the trade union of protection against legal action by an employer, customer or supplier, or by a member of the union.

Contempt and other proceedings

7. If a court order issued following legal proceedings as described in paragraph 4 and paragraph 5 above is not obeyed, anyone who sought it can go back to court and ask that those concerned be declared in contempt of court. The Commissioner for the Rights of Trade Union Members may assist a member of the trade union in connection with such contempt proceedings. A union found in contempt of court may face heavy fines, or other penalties which the court may consider appropriate.

8. In addition, any member of the union may have grounds for legal action against the union's trustees if they have caused or permitted the unlawful application of union funds or property, and the Commissioner for the Rights of Trade Union Members may assist a member of the trade union in connection with such proceedings.

[FOR INSIDE BACK COVER]

OTHER USEFUL GUIDANCE BOOKLETS

The following booklets on employment and trade union legislation can be obtained free of charge from offices of the Employment Service.

Industrial action and the law: a guide for employers, their customers and supplies (PL 870)

Industrial action and the law: a guide for employees and trade union members (PL 869)

Guide to the Trade Union Act 1984 (PL 752)

The Employment Act 1988: a guide to its industrial relations and trade union law provisions (PL 854)

Union secret ballots (PL 701)

Unjustifiable discipline by a trade union (PL 865)

Trade union funds and accounting records (PL 867)

SUBJECT CC MASTER

File PM2 3

bcc R. Wilson
A. Dunlop



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

25 May 1989

Dear Clive,

UNOFFICIAL INDUSTRIAL ACTION

When your Secretary of State saw the Prime Minister yesterday morning, he mentioned to her his intention to bring forward proposals for legislative steps to limit the scope for unofficial industrial action. The Prime Minister had not at that stage seen your Secretary of State's minute on this subject dated 23 May.

The Prime Minister has, however, now had a chance to consider this issue. She strongly agrees that proposals for change in this area should be considered. She therefore agrees that your Secretary of State put a paper to E(A) along the lines suggested. She was not, however, immediately persuaded that the ideas under option B in your Secretary of State's minute should be discounted, and she therefore thinks his paper should set out the possibilities under all three of the headings identified.

Van
Paul

PAUL GRAY

Clive Norris, Esq.,
Department of Employment.

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meeting is not needed and the issue can be cleared in
correspondence.

Content to agree that Mr. Fowler should put a paper to E(A)
setting out the possibilities under all the three headings he
identifies?

Acc.

Yes
no

P. GRAY
24 MAY 1989

MRMACV

CONFIDENTIAL

B

PRIME MINISTER

24 May 1989

UNOFFICIAL INDUSTRIAL ACTION

I support Norman Fowler's plans to bring forward proposals to tackle this problem.

Action in this area will be particularly popular with industry - Sir Robert Haslam and Sir John Egan have both advocated action in this area.

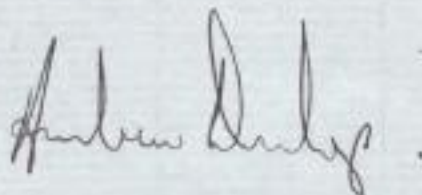
Norman Fowler favours proposals based on a combination of Options A and C in his paper (extending the liability of trade unions for unofficial action by their members and making it easier for employers to dismiss strikers selectively.)

But it would be wrong to rule out Option B at this stage (withdrawal of immunity from individuals organising industrial action):

- this option bears most directly on the problem;
- the arguments advanced against it do not seem any more insuperable than the difficulties presented by the other two options.

RECOMMENDATIONS

- Ask Norman Fowler to put forward a paper to E(A).
- Include all three proposals in the paper.



ANDREW DUNLOP

CONFIDENTIAL

afp A
1a-f

PRIME MINISTER

UNOFFICIAL INDUSTRIAL ACTION

I have been considering whether we should bring forward proposals for legislative steps to limit the scope for unofficial industrial action, that is to say action not organised, authorised or endorsed by a trade union.

The present position is that unofficial action enjoys a wider immunity than official action organised by trade unions. The strike balloting requirement applies only to trade unions, not to those organising unofficial action. The statutory immunity which may protect those who organise industrial action applies to anyone, including unofficial leaders - not just trade unions. An employer who wants to take legal action will find it much simpler to bring proceedings against a trade union, which is a body of substance with funds, than against unofficial organisers. In a number of ways, therefore, it is more difficult for employers to take legal action against unofficial leaders than against trade unions.

There has been a considerable amount of unofficial action recently - on the London Underground, in British Rail in the South East, at Jaguar, in the docks, among London steel erectors - and there may be more in prospect. Trade unions are often happy to turn a blind eye to unofficial action by their members, because it puts pressure on employers during negotiations. For all these reasons we need to be alert to the possible need for further measures and to consider whether legislation might be useful.

I have looked at a number of proposals. They are all designed to strengthen the employer's power to respond to unofficial action, either by legal action or by dismissal. They fall into three main groups.

A. Extend the liability of trade unions for unofficial action by their members.

Under existing provisions, unions are liable for action which has been authorised or endorsed by an official competent under the rules to do so, except that in the case of officials below the top level the union may repudiate their action. We could extend the circumstances in which this liability applies. For example we could require a union, if it was to avoid liability, to repudiate even if the official who had given the authorisation or endorsement was not competent under the rules to do so; or to repudiate the acts of its members (including unofficial action), perhaps by written notification to all members concerned; or to discipline those who ignored any such repudiation.

The advantages are:

- if a trade union failed to meet the tests required, an employer damaged by unofficial action could seek legal redress;

- trade unions would be obliged to take responsibility for unofficial action by their members, instead of turning a blind eye to action which, although unofficial, may in fact advance the union's interests. Unions which failed to exercise proper leadership and control over their members would be exposed to legal action in cases of unofficial action;

- our previous measures have shown very clearly the effectiveness of enabling employers to take legal action against unions' funds: establishing union liability for unofficial action is therefore likely to be the most effective step we could take to curb unofficial action.

The disadvantages are:

- requiring unions to "police" the acts of their members would arguably be a departure from our policy of enhancing the freedom of the individual union member;

- members wishing to ignore the union's repudiations and its disciplinary sanctions might simply leave the union (which they will be able to do more freely with the demise of the closed shop) and carry on with their unofficial action.

B. Withdraw immunity from anyone other than a trade union who organises industrial action.

This could be done either in all circumstances, or if the unofficial organisers fail to hold a proper ballot (as trade unions are required to do). This would mean that an employer (or customer or supplier) damaged by unofficial or unballoted action could bring an action against its organisers. A variant would make possible action against those organising industrial action in essential services if notice was not given or if a minimum level of service was not maintained.

The advantages are:

- this bites directly on the present difficulty for an employer of taking legal action against unofficial organisers. It is a more direct approach than action via the trade union;
- arguably it is anomalous that unofficial organisers should enjoy the same immunities as trade unions, and should not even need to hold ballots.

The disadvantages are:

- probably few employers would take legal action against organisers of unofficial action, who will almost invariably be their own employees;
- where action was taken, an individual organiser might deliberately seek martyrdom, with a view to adverse publicity for the legislation, by courting bankruptcy (which could lead, for example, to seizure of the family home) or even, in the case of contempt of court, imprisonment;
- this proposal would give a strong incentive for organisers to keep their identity secret. The effect might be not to stop the organisation of unofficial action but to make it clandestine;
- employees might form a union of their own (or join some other existing union) in order to have the potential protection of immunity for organising industrial action.

C. Make it easier for employers to dismiss strikers selectively.

This could be done either generally or in particular circumstances (for example in unofficial strikes, or in the case of dismissal of any organiser of industrial action only). At present there is limited statutory protection against selective dismissal while taking industrial action, though not against dismissal of all those taking action. The present protection could be removed altogether, so that an employer would have full freedom to dismiss selectively during industrial action and to re-engage selectively thereafter. Alternatively, this freedom could be given in certain circumstances only, for example, where the action was unofficial, where it had no immunity or where those dismissed were inducing the action.

The advantages are:

- this would increase the employer's freedom to take direct action against those responsible for organising unofficial action;
- dismissal is a more direct, immediate and effective sanction against individuals than legal action;
- it is reasonable that the employer should have an unfettered right to dismiss someone who goes on strike in breach of his contract of employment.

The disadvantages are:

- it would be argued that any such change amounts to a denial of the right to strike and therefore an unjustifiable infringement of the liberty of the individual;
- employers might be hesitant about dismissing in these circumstances, for fear of making the dispute worse. For example, if London Underground were to dismiss the unofficial leaders of the current one-day strikes, the result might well be a long-drawn-out stoppage by all drivers;
- there is again an incentive for clandestine organisation of unofficial action.

For my own part, in spite of the difficulties I see a case for some action in this area; some combination of the measures described at A and C should strengthen the position of employers faced with unofficial action, while avoiding the obvious disadvantages of B. I should be very grateful for your views on whether you would favour proceeding with all or any of these proposals. If so, I would propose to put a paper to E(A) with a view to a public consultation exercise and to including provisions in the Bill which forms part of our programme for next session.



N F

23 May 1989

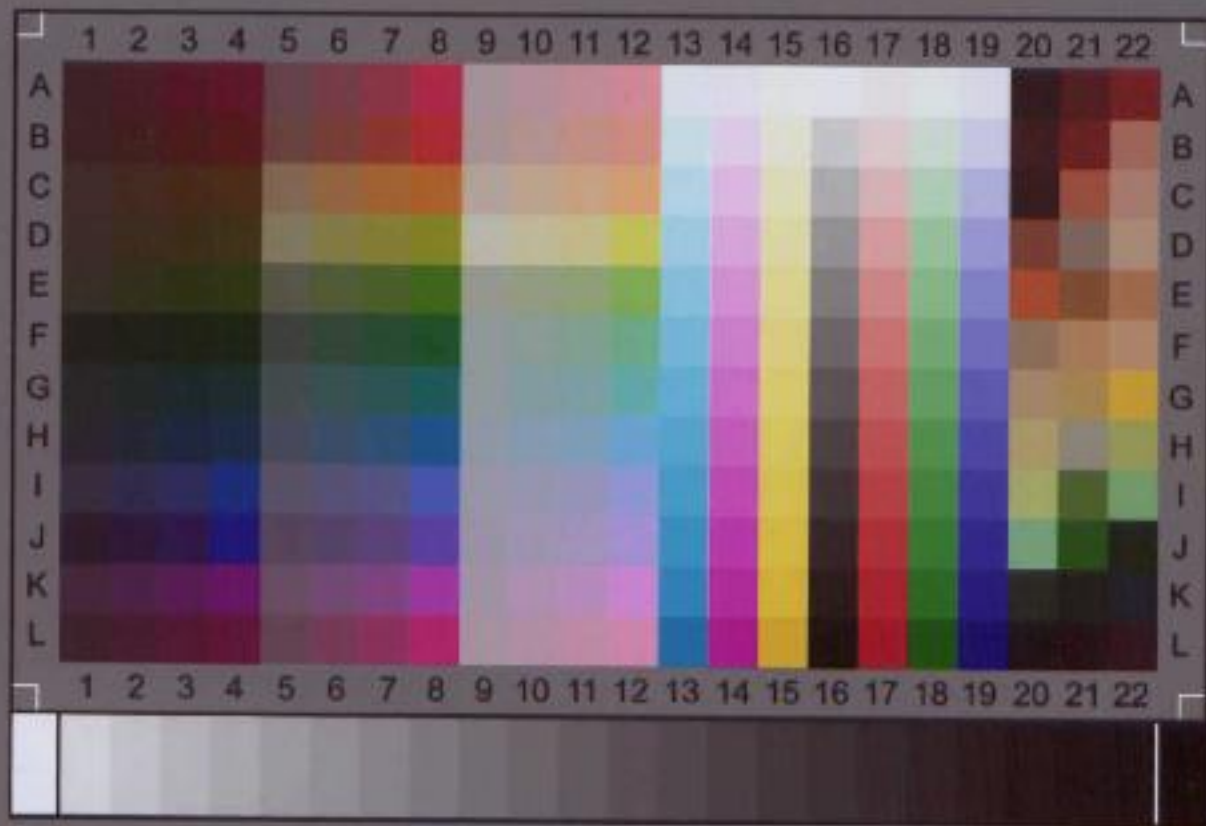
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D. Emp to P9 20/3/89

PART 15 begins:-

SS/EMP to Pm 23/5/89



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