

PART 4

CONFIDENTIAL FILING

Wages Councils

INDUSTRIAL POUCT

PTI: March 1980

PTU: February 1990

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
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<p>PREM 19/3397</p>							

KR.gozney



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Secretary of State

Richard Gozney Esq
Private Secretary
Secretary of State for Foreign and
Commonwealth Affairs
Foreign and Commonwealth Office
LONDON SW1

13 May 1991

Dear Richard

INTERNATIONAL LABOUR INSTRUMENTS ADOPTED BY THE 77TH SESSION
OF THE INTERNATIONAL LABOUR CONFERENCE 1990

As you may know, it is necessary each year to issue a White Paper on the instruments adopted at the previous year's International Labour Conference, in accordance with our obligations under the constitution of the International Labour Organisation to bring such instruments before Parliament. The instruments adopted at the 77th Conference in 1990 related to Safety in the Use of Chemicals at work and to Night Work.

The enclosed draft White Paper on these instruments has been prepared after consultation at official level with interested Departments. My Secretary of State would be glad to know whether the Foreign Secretary is content with the draft. In order to meet our obligations under the ILO Constitution, the White Paper needs to be laid before the end of June. I should therefore be grateful if you could let me have any comments by Tuesday 21 May.

I am sending copies of this letter and its enclosures, for information only, to Stephen Wall, private secretaries to other members of the Cabinet, the Attorney General, the Lord Advocate, and to Sonia Phippard.

Yours
Andrew

ANDREW McCULLY
Private Secretary



Employment Department · Training Agency
Health and Safety Executive · ACAS

At its 77th Session in 1990 the International Labour Conference adopted a Convention and a Recommendation relating to Safety in the Use of Chemicals at Work, a Convention and Recommendation concerning Night Work and a Protocol to the Night Work (Women) Convention (Revised) 1948. The full texts of these Conventions Recommendations and the Protocol are set out in the Annex to this White Paper.

The Government's conclusions on these Conventions and Recommendations are as follows:

Convention No. 170 and Recommendation No. 177.

Concerning Safety in the Use of Chemicals at Work.

The Convention covers the protection of workers from the harmful effects of chemicals and the need for information about the chemicals they use at work. Governments ratifying the Convention must ensure that arrangements are established for evaluating all chemicals to determine their Hazards. The Convention confers on suppliers the duty to provide employers with safety data on the chemicals used at work. Employers are given responsibility for providing effective systems to protect workers from chemical hazards. These include developing and supervising safe working practices, giving workers information about chemicals, and providing adequate training and any necessary protective clothing. The Convention binds workers and employers to close co-operation in complying with procedures and practices relating to the safe use of chemicals at work.

The Recommendation introduces a number of specific measures to implement principles outlined broadly in the Convention and additional guidance on medical surveillance, first-aid and emergencies.

The Government has asked the advice of the Health and Safety Commission on whether or not the United Kingdom Government should ratify the Convention and accept the Recommendation and will defer its decision until the Commission's advice is available.

Convention No. 171 and Recommendation No. 178. Concerning Night Work and Protocol to the Night Work (Women) Convention (Revised) 1948

The Convention seeks to regulate night work by all employees except those employed in agriculture, stock raising, fishing, maritime transport and inland navigation, although Governments ratifying the Convention may after appropriate consultation exclude from its scope other categories of workers when its application would raise special problems of a substantial nature. The Convention provides for specific measures for night workers to help them in the assessment and protection of their health, including maternity protection, assistance to meet family and social responsibilities and compensation in the form of pay, working time or similar benefits in recognition of the nature of night work.

The Recommendation seeks to implement by law, collective agreement or other appropriate practice measures relating to regulation of hours of work and rest periods, financial compensation for night work, occupational health and safety, provision of social services and associated provisions.

The Protocol introduces additional articles to the 1948 Night Work (Women) Convention No. 89 which only permitted night working for women in exceptional circumstances. In deference to national law and practice the new articles remove the prohibition of night working for women, except for a period before and after childbirth, and provide for variations in the duration of the night work period as defined in the 1948 Convention.

The Government is committed to abolishing unnecessary regulations and reducing burdens on business. In particular, it believes that terms and conditions of work, including hours of work, are

matters to be negotiated between employers and employees or their representatives, without Government interference.

In the case of night work scientific evidence does not support the view that it entails any greater risks that warrant special attention than day work either for general workers or workers who are pregnant. Both day and night work are covered by the Health and Safety at Work etc Act 1974.

In some occupations and industries night work is essential; it can help to raise productivity and create jobs; and some employees prefer it because it suits their personal circumstances. The Government therefore does not believe it would be appropriate to regulate in this area; and for these reasons does not intend to ratify the Convention or accept the Recommendation. For the same reasons whilst the Government welcomes the move towards greater flexibility that the provisions of the Protocol to the Night Work (Women) Convention (Revised) 1948 represent, it continues to believe that this is not an appropriate area for regulation and therefore has no intention of ratifying the Convention.

ITB/66/3/11.90/EE



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PM

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

13 February 1990

Dear Clive,

FUTURE OF THE WAGES COUNCILS SYSTEM

The Prime Minister was grateful for your Secretary of State's minute of 5 February. She has also seen the subsequent letter of 12 February from the Secretary of State for Trade and Industry. The Prime Minister agrees that your Secretary of State should proceed on the basis he proposes.

I am copying this letter to the Private Secretaries to members of E(A) and to Sonia Phippard (Cabinet Office).

*Yan,
Pd*

PAUL GRAY

Clive Norris, Esq.,
Department of Employment.

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PRIME MINISTER
WAGES COUNCILS

Michael Howard minuted you privately at the end of last month seeking your agreement that he should put to colleagues his conclusion that the possible abolition of Wages Councils should not be proceeded with for the time being, but that the position for the next Parliament should be kept under review.

The Policy Unit advised that the possibility of early action should not be ruled out. But you thought Michael Howard's judgment was correct, and I therefore minuted out saying you were content for him to put his proposals to members of E(A).

Michael Howard has now done this in the attached minute at flag A. So far, only Nicholas Ridley (flag B) has responded; he supports the approach.

Content for me now to minute out to all E(A) members saying that you are content with Michael Howard's approach?

Pub.

PAUL GRAY

12 February 1990

Yes not

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the department for Enterprise

B

cc PU
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The Rt. Hon. Nicholas Ridley MP
Secretary of State for Trade and Industry

Rt Hon Michael Howard QC MP
Secretary of State for Employment
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Our ref PE1AJI
Your ref PE1AJI

Date 12 February 1990

file with PG 12/2

See Secretary of State

FUTURE OF THE WAGE COUNCIL SYSTEM

I agree with the conclusion you reached in your minute of 5 February that abolition of the wages council system would be the right course, on grounds of compatibility with our strategy on pay and jobs.

I also agree that in practice we do not at present have a ready opportunity to introduce the necessary legislation, although I would hope that we could bring one forward as soon as possible.

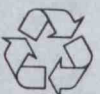
Finally, I agree with the terms of your proposed announcement, which makes clear our view that the system should not have a long future.

Copies go to members of E(A) and to Sir Robin Butler.

Your sincerely

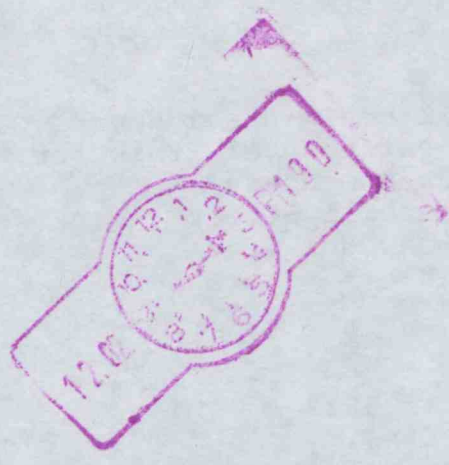
for Howard.

(Approved by the Secretary of State
and signed in his absence.)



Recycled Paper

IND. POA : Wages Councils Pr. 4.





Secretary of State
for Employment

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PRIME MINISTER

FUTURE OF THE WAGES COUNCILS SYSTEM

minutes attached

At E(A)(88) 15th Meeting it was agreed that my predecessor should publish a consultative document proposing the abolition of the wages councils system. That exercise was completed last year. This note outlines the current position, and conveys my view that we should not proceed with abolition at the present time, but make it plain that we do not regard the councils as a permanent feature of the labour market and will be keeping their operation under close review.

The consultation exercise strengthened the case for abolition. It showed a significant change in the balance of opinion amongst employer bodies represented on the councils since the 1985 consultations. One half of those which responded now want abolition compared with one quarter then. Nevertheless, on a simple count four out of five of all responses from all quarters opposed abolition and it is evident that a commitment to the councils persists amongst some employers. In several councils the employers favour retention.

Norman Fowler reached no final view on the councils' future before publishing the 1989 Employment Bill but had concluded that this was not, in any case, the moment to abolish the system. In answering questions from the press when the Bill was launched in December he explained the absence of a provision on wages councils by referring to the pressure on Parliamentary time and the Government's wish to avoid a repetition of the unduly long 1988/89 Parliamentary session. But he emphasised that the subject was not "off the agenda".

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Secretary of State
for Employment

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My view is that the balance of argument supports abolition and that the continued existence of the councils is incompatible with our strategy on pay and jobs. In practice, however, given that a suitable legislative opportunity is not currently available and may not arise for some time, I see no advantage - and some political disadvantage - in coming to a final decision now.

In the circumstances I propose to announce that I have decided not to proceed with the abolition of the councils for the present, but that the consultation exercise shows that our concern about their adverse effects is widely shared by employers and has confirmed the Government's view that the system should have no permanent place in the labour market. We therefore intend to keep its operation under close review. If asked about our intentions for next session, I shall say that the Government will make its judgement in the light of circumstances prevailing nearer the time including the continued development of employer opinion, any further evidence of the impact of wages councils' settlements on the labour market, and the availability of legislative time.

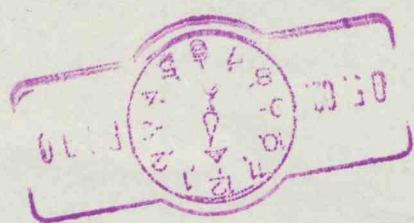
Copies of this note go to members of E(A) and Sir Robin Butler.

M. H.

M H

5th February 1990

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● PART 3 ends:-

PA to D/GMP. 29.1.90

PART 4. begins:-

SS/GMP to PA. 5.2.90

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