Prime Minister
Agree Mr Jenkin's proposals?
Agreed and see 1-3 below. A.B.J.
Duty Clerk 21/9

Prime Minister

ARRANGEMENTS FOR PAYMENT OF SUPPLEMENTARY BENEFIT TO STRIKERS

Following our discussion about claims for supplementary benefit from strikers I have gone into the problems they create for my Department. As the law stands we cannot avoid paying benefit for dependants of strikers who qualify. Nevertheless, I have halted arrangements which were being planned (but had not yet been implemented) for establishing "strike centres" ie temporary offices for handling claims from strikers.

The consequences of changing the normal arrangements, for instance, by leaving strikers to apply to ordinary benefit officers could quickly lead to scenes of disorder on the basis of earlier experience.

Agreed and

Thus substantial law and order implications arise and also the risk of exacerbating relations in the engineering strike. If therefore we are to go down this road I suggest that Willie Whitelaw and Jim Prior would be immediately involved. I would like to consider this with them urgently to decide the action we should take.

I attach a brief paper setting out some of the factors which can serve as a basis for this discussion.

I am copying this minute to members of E Committee, Angus Maude, Sir Michael Havers and Sir John Hunt.

P.J.

(1) If the law is dependants (and it is) the money ought to be paid direct to the dependants - i.e. the wife for family and children.

(2) What does the phrase "exceptionally" money may be paid to strikers themselves mean?

(3) Can I see the forms. MT.

ARRANGEMENTS FOR PAYMENT OF SUPPLEMENTARY BENEFIT FOR STRIKERS

1. Although strikers themselves are disqualified there is an entitlement to supplementary benefit for their dependants if their income is below the level of the dependants' requirements. There is also provision for overriding the disqualification and making payments, exceptionally, to strikers themselves if their need is urgent. ?

2. In consequence my Department's local offices are liable during strikes and lock outs to have to deal with numbers of claims much larger than they have either the staff or accommodation to handle. For example in Derby we may receive up to 5000 claims from Rolls Royce workers whereas in an ordinary week we would get less than 1600 claims altogether.

3. The arrangements hitherto used by the Department to cope with such large numbers of claims have been to bring in more staff and house them in special centres. If they do not do this there would be long delays in clearing all claims, large numbers of claimants descending upon ordinary offices, and, experience shows, a real risk of ugly scenes. The special arrangements are thus designed primarily to protect ordinary claimants not to help strikers.

4. Strikers have to be told about these arrangements, and it has hitherto been the view that the cheapest, most effective and most discreet way of doing so is through union officials. They are given copies of a leaflet, basically still as designed last time we were in power, explaining the supplementary benefit provisions, supplies of claim forms and details of the arrangements for taking claims. The Department generally gets co-operation and manages as a result to prevent claims being made unnecessarily or too early, to spread work as evenly as is possible and above all to avoid large congregations of strikers at our offices.

5. Colleagues should know that there are strike centres on this basis which have been in operation for a few weeks as a result of strikes at GEC in Stafford, Talbot (Chrysler) near Coventry and Vauxhall at Ellesmere Port, without national publicity and these I have not withdrawn because of the very serious consequences of doing so. If we are not to repeat these arrangements for Rolls Royce strikers (factories affected are in several locations across the country), it is inevitable that arrears will quickly build up and, if public disorder results, the offices will have to be closed to the public. Moreover it is possible that the unions in the Department would refuse to operate arrangements which exposed their members to risks of violence or unpleasantness from large numbers of claimants.

6. It may be right to accept these consequences as a price for not appearing to be making it easy for, or even encouraging, strikers to claim benefit. We could not hope to do this without attracting a great deal of publicity some of which would be bound to be hostile because of the impact on ordinary claimants.

7. The alternative course is to repeat the same arrangements as have applied hitherto, making it clear that it is our intention to change the law.