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GIA(81)1st Meeting

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*ALL
low*

✓ New Lowbuckor
1. Mr. Whitson (by name)
2. Prince Anstet
*The first mtg of the the
new group under the
Hayhoe's chairmanship.*

GROUP ON INDUSTRIAL ACTION

Note of a meeting held on Friday 10 April at 11 am in Room 60/
1st Floor, Civil Service Department, Whitehall SW1A 2AZ. *Nothing of great
note.*

PRESENT

Minister of State, Civil Service Department (In the Chair)

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- Mr L Hawken - Customs and Excise
- Mr E Broadbent - Ministry of Defence
- Mr J W Cooper - Department of Employment
- Mr A G Turner - Department of Health & Social Security
- Mr R F D Shuffery - Home Office
- Mr J F Boyd - Inland Revenue
- Mr A H Bishop - Scottish Office
- Mr R C M Cooper - Departments of Trade and Industry
- Mr P E Middleton - HM Treasury
- Mr D L Davies -) Treasury Solicitor's Department
- Mr R Ricks -)
- Mr A Duguid - No 10
- Mrs M B Sloman - Civil Service Department
- Mr H Jarmany - Information Services Division, CSD
- Mr A A Carter - PS/Minister of State

Mr C C Allan) CSD
Mr G T W Jones) Secretariat

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INTRODUCTION

1. The Minister of State said that the Group had been set up, on the Prime Minister's instructions, to be responsible for monitoring the progress of the industrial action and for co-ordinating the Government's response. It replaced the Steering Committee on Industrial Action (SCIA) and would meet daily until further notice.

CURRENT INDUSTRIAL ACTION

2. Departments reported on developments in the industrial action:-

i. Ministry of Defence

The Department was considering what arrangements could be made to re-equip 'Resolution' in view of the industrial action at the Clyde submarine base. If it did not prove possible to use senior management, servicemen would have to be brought in - approval of Ministers had been obtained.

ii. Inland Revenue

Picketing had become more serious - at Manchester, for example, police assistance had to be obtained. Some staff are now on indefinite strike at the Worthing Computer Centre; picketing was likely to be severe.

iii. Employment

TRD of 70 staff likely to go ahead, following Ministerial approval, unless CPSA HQ officials persuaded them to cooperate with management. Staff in the Unemployment Benefit Service are under increasing pressure as a result of the closure of the DHSS Newcastle computer.

iv. Customs & Excise

The reports of the effect of strike action on the Northern Ireland Land Boundary and West Coast ports are grossly exaggerated.

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Traffic is flowing fairly freely. Possible problem at Holyhead because of the attitude of British Rail unions' members. The TGWU threatening not to clear goods processed by management. Heathrow data processing staff back at work.

v. Scottish Office

← The SCPS and the CPSA were thought to be ready to agree to carry out payroll work and certain other tasks (including teachers' pensions, and payments relating to family benefits and farm outgoers). The Scottish Office will be discussing this with the unions later today and will be making it clear that the form of selective working proposed is not acceptable. In particular, management could not agree that work relating to payments to private Road Contractors should not be maintained. There was a danger that some small firms could go out of business if payments were not forthcoming. The Minister of State said that it is important for the Scottish Office to adopt a robust attitude. The unions had offered to bear the cost of the salaries of staff returning to undertake selective working. The Minister made it clear that this is not acceptable; management's freedom of action had to be maintained. It would not be right to carry out salaries work and not to process other payments intended, in some cases, to relieve hardship. Management had a legal obligation to pay salaries as soon as practicable, but the courts would probably look favourably on management's contingency planning arrangements in the event of a claim for non-payment of salaries and bills. There are difficulties in making fall-back arrangements for the payment of weekly staff. On another point, the unions had refused to cooperate in making additional imprest payments to overcome problems in settling Travel and Subsistence claims.

EFFECTS OF THE INDUSTRIAL ACTION

3. The meeting discussed the effects of the current and projected industrial action. It was thought difficult to predict the outcome

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of any use of servicemen in lieu of civilian staff. There were likely to be protests and walk-outs but of limited duration. The IPCS (P&T grades) were likely to give stronger support than the other unions because of pay difficulties in 1980. The overall effect on the flow of Government money was not easy to assess. 75% of revenue was being banked. The economic effects of the strike had been marginal so far, and there had been no effect on the general level of interest rates. The Borrowing Requirement had increased but there were reasons for this other than the industrial action. The flow of money depended on GIRO continuing to operate and on there being no significant industrial action in the banks. The next PAYE cycle began on 19 April; it would be less easy this time round to achieve as much as 70% of the normal revenue, but there was optimism that this could be achieved.

4. Morale at management level, particularly in Inland Revenue, was under strain. Staff in Bush House were working hard and willingly (but were doing so out of loyalty to their Department rather than to the Government). There were also morale problems in other Departments but not to the same extent. There was a feeling that this would continue to be so provided a low profile is maintained and provided there is evidence of progress.

5. The meeting did not discuss recovery problems but Departments were invited by the Minister to provide up-to-date assessments at the next meeting.

POSSIBLE DEVELOPMENTS

6. It had been reported that selective action by Customs and Immigration Officers had started at Dover. It was thought that there could be intensive action at the same port during the Easter week-end. Action by Civil Aviation Authority staff was unlikely to start until 21 April.

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MANAGEMENT TACTICS

7. This was left for discussion in the light of the outcome of the Cabinet discussion on 14 April and of the statements to Parliament before the Easter recess.

CIRCULATION OF INFORMATION

8. It was agreed that the CSD would continue to report regularly to No 10, copied to Permanent Secretaries, on the progress of the industrial action. Departments agreed to let the CSD have information copies of any internal submissions to their Ministers on developments in the action; CSD would be responsible for ensuring that other Departments were told of any action which might have repercussions.

PUBLICITY

9. Departments described their arrangements for keeping their staff and the media in the picture. The number of local offices (1300 in Inland Revenue alone) caused problems in disseminating information rapidly, but Departments did their best. It was sometimes no bad thing for later information to be available which effectively discredited the unions' claims and credibility. The Minister urged Departments to continue with their efforts to publicise management's position.

SUMMARY

10. The Minister, summing up, said that the discussion had been helpful. There was no reason at present to change the emphasis and direction of Departments' responses to the industrial action, but this would be kept under review. To date, management had not tried to escalate the action but had responded firmly whenever necessary. It was right for servicemen to be used in Ministry of Defence if alternative arrangements were not possible. If this resulted in escalation, then this had to be accepted.

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11. He invited Departments to follow up any points agreed for action at the meeting. In particular, he was anxious to have information about recovery time-scales at the next meeting.

DATE OF NEXT MEETING

13 April, 1981, at 4 pm in Room 1/60.

Civil Service Department
Old Admiralty Building
Whitehall SW1A 2AZ

10 April 1981

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