

MR HOSKYNS

cc:- Mr Vereker

TRADE UNION IMMUNITIES

I sat next to Pat Lowry of British Leyland at the Motor Show dinner last week and we discussed trade union immunities. Lowry said that he thought the Government had been misguided in focussing so much on the problem of secondary action: although this had been the big issue of the "Winter of Discontent", in fact it was in his experience a pretty ~~not~~ ^{key} important ingredient in most industrial action. He felt that the real issues were ~~an~~ ^{un}enforceable contracts and the ability to go for union funds. Without these, he did not think there would ever be a real change in the bargaining balance of power.

He also said that he saw a change in behaviour, but not in attitudes at present. This is an interesting distinction. He meant, I think, that people are responding to the worsening economic picture by modifying their bargaining behaviour; but as soon as unemployment begins to come down again, they will go back to their old ways. That is my fear too; we will have gone through a great deal of misery, and for what purpose? The Minfords of this world would of course say, provided we stick to the monetary strategy, attitudes will change. The reality is a bit more complicated; most trade unions have never heard of the MTFS and the figures contained in it. And to change attitudes, and not just behaviour, we need more Government action (a second Employment Bill?) and a much more intensive offer to get people to understand the "economic arithmetic".

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