

Prime Minister

Hector Laing's letter,  
also in this folder,  
is of interest.

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Ref. A0430

PRIME MINISTER

DL

17/10

Industrial Relations Legislation

(C(79) 43)

BACKGROUND

This paper is about the four outstanding points which need to be resolved before the Bill can be introduced. Although the Secretary of State for Employment, in his speech at Blackpool, carefully left open the possibility of later introduction, he still wants a Second Reading in December if possible. To do this, leaving time for drafting and for the necessary formal and informal consultations, he believes it is absolutely essential to get decisions at this meeting of the Cabinet. If questions arise in Cabinet which look like requiring further work to be done before decisions can be taken, you might like to ensure that the Secretary of State and the Chief Whip are prepared to accept the resulting delay before agreeing to it. All the earlier discussion was in E, so that a few Cabinet Ministers will come fresh to this subject. However this paper is self-contained and they do not need to see the earlier papers.

HANDLING

2. After asking the Secretary of State for Employment to introduce his paper I think you should then take the Cabinet through the four separate issues, discouraging further general contributions.

- (i) Closed Shop. The revised formula of 'religious, moral or ethical objections to being a member of any union whatsoever or of a particular union' is pretty wide. It meets most of the doubts expressed in earlier Cabinet or E discussions. The key seems to be the introduction of the word 'ethical' which seems to provide an escape route from almost any union. I think this may well be the answer to your doubts, when you first saw the paper, whether existing employees could refuse to join a new closed shop. But you will want to hear the Secretary of State and the Solicitor General on the point.

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- (ii) Unreasonable exclusion or expulsion. I think this is the section which has worried you most in the past: you have been anxious to preserve the 'right to work' of individuals, who might be intimidated by their union or shop stewards into taking part in a strike. The proposal is to rely on 'the general test of reasonableness' as interpreted by an Industrial Tribunal, and not to try to lay down guidelines in the legislation. The 'test' would be reinforced by provisions in the Code of Practice. This is the 'highway code' procedure which has been suggested for dealing with some of the problems of picketing as well. I believe you were unhappy about this point when you saw the paper at the weekend. However, provided the Code gives the tribunals proper guidance, this approach would give the substance of what you want. But because it is a non-statutory remedy, you will want to make sure that the Lord Chancellor and the Solicitor General are content. Otherwise, I doubt if other colleagues will resist this compromise solution.
- (iii) Closed Shop in the newspaper industry. The proposal is to repeal the requirement for a Press Charter in the Trade Union and Labour Relations (Amendment) Act 1976, and to rely on the wider definition of valid defection to membership of a trade union in a closed shop reinforced by a separate section in the statutory 'Code of Practice'. This would bring the 'ethical objection' test to bear directly on journalists who insisted on Press freedom. It seems to meet Ministers' wishes very neatly.
- (iv) SLADE. The Leggatt Report will have been published the day before Cabinet meets. (The Secretary of State circulated it to Cabinet with his minute of 12th October and you have already agreed to publication, subject to a very strong indication of the Government's dislike of SLADE's practices (Mr. Lankester's note of 15th October)). The problems it exposes are highly technical, and further consultations seem essential before a suitable provision can be drafted for incorporation in the Bill.

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I doubt if any Minister will object to the Secretary of State's proposals in paragraph 14.

CONCLUSIONS

3. Subject to the course of discussion, you should be able to secure agreement on the four proposals set out in paragraph 16 of C(79) 43 without further amendment.

*JNH*

(John Hunt)

17th October, 1979