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Treasury Chambers, Parliament Street, SWIP 3AG 01-233 3000

17 September 1980

Rt. Hon. James Prior MP Secretary of State for Employment

Dru Jui

Parya

I have been giving some thought to the issues which might be covered in the Green Paper on Immunities due to be published in November.

Like Keith Joseph, I think it is important that the paper should be widely drawn, and should address itself to issues of principle. Good industrial relations are vital to our economic success and we need to ensure that our legislation contributes to the creation of a rational and balanced framework for such relations. At present UK law confers privileges upon trade unions which are not enjoyed in comparable countries. People need to be made aware of this bias, so that they can understand the weakness in the argument of those who say that the law should be kept out of industrial relations. It is the law which at present buttresses the privileged position of the trade unions. I fully endorse Keith's suggestion that the Green Paper should contain a statement of the provisions and operation of similar legislation in other countries.

Legislation in this area is necessarily complex and the purpose of particular proposals is not readily comprehended by public opinion. This makes it all the more important to ensure that the Green Paper discusses general issues, such as the closed shop, and not just legal minutiae. As you know, our election manifesto promised the introduction of no-strike agreements for a few essential services. I would like to see this possibility discussed in the Paper. A statutory ban on striking, such as applies to the Police Force, might be one approach. It can be argued that the relative industrial peace in public sector industries in recent years has in many cases been bought by acceding to the demands of employees. If we are to take a tighter line on pay, it may be that some provisions restricting strikes in essential services will be necessary.

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I enclose a list of proposals which might be included in the Green Paper. These cover immunities for trade unions, further limitations on individual immunities, ballots, union labour only clauses in commercial contracts, collective agreements, closed shops, the constitution of trade unions, the definition of a trade dispute and immunities for essential services.

Immunities will of course be at the heart of the Paper. It is too early to judge the effectiveness of Section 17 of the Employment Act. But the very fact that we are publishing a Green Paper indicates that we do not regard the issue as closed. I am worried about the equity of continuing to give individuals immunity where they picket a first supplier or customer of an employer in dispute. Why should such firms be penalised? Their involvement will in many cases be largely fortuitous.

I hope you will agree that we should not miss this opportunity of stimulating wider debate on issues which, as Keith has pointed out, still worry many people deeply.

I am copying this letter to Sir Robert Armstrong and to the members of E Committee.

GEOFFREY HOWE