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PS/ Secretary of State for Industry

15 October 1979

Tim Lankester Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

Handwritten notes:
at the meeting
by the Prime Minister

Prime Minister

*A further report
on developments at*

Dear Tim

BL.

BL

BL 16/10

In my letter of 8 October, I said I would let you have a further report on developments in connection with BL. Since my last report the BL Board have met (on 10 October), the CSEU Executive have considered a further communication from BL (11 October), and the CSEU held a meeting with senior shop stewards (13 October).

At its meeting on 10 October the BL Board made no decision on the issue of seeking further funds to finance ~~the~~ Edwardes' Plan or on whether to go for a ballot to establish the degree of workforce support for it. Instead the Board authorised a further communication to the CSEU Executive emphasising the need for certain conditions to be satisfied before further public funds were sought. These conditions included evidence of workforce commitment to the Plan itself, to the need for improved productivity, acceptance of the need for new (ie scientific) techniques of work measurement, and an undertaking by the CSEU Executive that they would deal with inter-union differences.

The CSEU Executive at their meeting the next day did not endorse the Edwardes' Plan but instead decided that they would recommend to the shop stewards that further talks should take place with the company on the basis of the 5 October statement (attached to my letter of that date). The TGWU executive had earlier voted to oppose the Plan and the Transport Union's representatives therefore had their hands effectively tied before the CSEU meeting.

The meeting between the CSEU executive and the BL senior shop stewards on 13 October resulted in an overwhelming rejection of the Edwardes' Plan. The meeting also rejected overwhelmingly the Executive's recommendation that talks should be continued with the company on the basis of the 5 October statement despite strong speeches by the CSEU Executive members from the platform. However only 247 stewards, instead of an expected 400-500, attended the meeting. Since the militants are strongly represented at senior steward level the outcome did not come as a great surprise and the hope is that the

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CSEU will at the least not oppose the issue being put to a ballot. The CSEU Executive will meet again on the evening of 16 October in preparation for a further meeting with the BL management on 17 October before the BL Board meets later in the day.

The BL Board is expected to agree to put the issue to the ballot. But if on Wednesday it concludes that even with a ballot sufficient workforce cooperation cannot be secured to justify a request for further funds, Sir Michael Edwardes will consult my Secretary of State and Sir Leslie Murphy before any further action is taken.

I will continue to keep you informed of developments and am copying this letter to recipients of my letter of 8 October.

Yours sincerely

Ian Ellison

IAN ELLISON
Private Secretary



16 OCT 1979