

M E M O R A N D U M

To: The Prime Minister

From: Alfred Sherman

The Employment Bill - Study Group's Misgivings

Our Trade-Union Reform Study-Group, under the chairmanship of Sir Leonard Neal, met this week to review the Employment Bill in light of discussions and correspondence between Sir Leonard and Mr. Prior, of the green paper, and of additions and amendments to the original bill. None of our substantive proposed alterations, advanced by Sir Leonard in speech and writing, have been adopted.

The Study Group, which is quite broadly based, including a senior official from Conservative Central Office and Paul McCormick, a Labour Party moderate and author, was unanimous in deploring the Bill as it stands as worse than useless. Our feeling was that the Bill, when enacted, will not only do nothing towards the promised redressal of the imbalance of bargaining power between unions and society; it will even increase the disruptive powers of the unions and help discredit labour legislation, thereby making it more difficult to legislate effectively in the future after the present Bill's defects have become evident.

Sir Leonard's projected report to you on the matter, summarising developments since his luncheon with you and his views along these lines, will be completed and forwarded to you early next month, on his return from the USA. My note is simply to alert you to this.

11 April 1980