



*cc W 8/8/80*

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

PRIME MINISTER

*John Goss*

*M. J. W.*

WORKING PAPER ON SECONDARY INDUSTRIAL ACTION

Jim Prior has sent you his revised draft of the working paper setting out proposals which are intended to reflect our decisions at E Committee on 13th February.

2. I should like to suggest the following amendments to the text proposed:

(i) It is not clear (for example from paragraphs 4 and 19) that we do intend to consider further whether union funds (as well as individuals) should be put at risk. We agreed at E that the immunities of trade unions, as well as of officers and members, should be reconsidered. Whilst we have so far agreed not to act on that in the present Bill, this week's events are making it increasingly clear that there is a strong case for making this change; it is becoming more and more difficult to believe that action against individuals will enable us to restrict mass picketing and other action manifestly promoted by unions, such as the ISTC (and NUM?) picketing at Hadfields. This would be permissible only so far as the pickets were drawn from Hadfield's employees; but the only way of enforcing that restriction would be by action (civil or criminal) against individuals. Would it not be helpful for the

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picketed employers to know that such action could be restrained (so far as authorised by a union) by means of an injunction, enforceable if necessary against the union's funds? It would be helpful if the text could indicate that this aspect is one which we shall be examining in the Green Paper, and draw attention to the dilemma which we face. (Incidentally, the last sentence of paragraph 4 is not, I think, an entirely accurate statement of the law.)

(ii) Paragraph 16. Since our aim is to restrict the damage inflicted in trade disputes to the employer engaged in the primary dispute and those first customers and suppliers who conduct a substantial part of their business with him, this paragraph should be rather more tightly drawn.

I suggest that the words "with a party to the dispute" should be added after the words "commercial contracts" in line 6 of that paragraph. Without these words it would still be possible for a union to impose a more or less complete block ade upon a third party; with them the immunity would be sensibly limited.

(iii) I would hope that the working paper could also refer to our intention to amend the Employment Bill in the way suggested by the Lord Chancellor in paragraph 2 of the Annex to his letter of 12th February. This would provide us with the opportunity (on the need for which we are all agreed) to draw attention to the criminal law offences of which those who engage in picketing can properly be convicted. This declaratory

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statement will not only clarify the circumstances in which injunctions can be granted but should also serve as a salutary reminder of the limits of the criminal law and thus assist the police in making prosecutions where necessary. Even if the need to consult Chief Constables means that we cannot include it in the working paper, however, I should hope that we could at least publicise this Clause when the amendment is moved in the House.

(iv) Though it is not recorded in the minutes, we did agree at E that if, as a result, *inter alia*, of Lord Diplock's judgement in the case of *Duport Steels Limited v Sirs*, the present law did not provide an adequate remedy against individual pickets (i.e. if an injunction against one picket cannot be used to prohibit picketing by other, "rotating", pickets), then the law should be changed. This might best be effected by means of an additional clause in the Contempt of Court Bill rather than in the Employment Bill; but it is so closely related to the question of trade union immunities that I would hope that a reference to this could also be included either in the working paper or in an accompanying statement at the time of its release.

(v) Paragraph 19. This implies that our review of the law on immunities will be ended by the publication of the Green Paper. Might it not be wiser to imply that the Green Paper will merely be a further event in our continuing review?

13. I am

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3. I am sending copies of this minute to recipients of  
Jim Prior's.

*Mignier*

(Principal Private Secretary)

for (G.H.)

15 February, 1980

(prepared by the Chancellor & signed in his  
absence)

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17 FEB 1980

