



2

NEW ST. ANDREWS HOUSE
ST. JAMES CENTRE
EDINBURGH EH1 3SX

The Rt Hon James Prior MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1N 9NA

Min. Antisl.

Seems a good point.

12

12/2

8 February 1980

CLOSED SHOPS

Some weeks ago I was in touch with you and Michael Heseltine expressing my anxiety about the way closed shop arrangements were being introduced into local authorities in Scotland. Since then there have been further developments, and I thought that I ought now to expose the problem to a wider circle of colleagues.

As I explained, it looks as though the closed shop in local authorities has gone much further in Scotland than in England and Wales. In Strathclyde it is entirely complete for white collar grades. Early last year, I understand, the situation was reached that the Chief Executive was expected by NALGO and by his authority to take part in a one-day NALGO strike which was only narrowly averted. Strathclyde are now pressing on with the introduction of a closed shop for their manual grades, and expect to have it in operation on and from 1 April next.

In Lothian, the Region rushed through, with what can only be described as politically deliberate haste, a closed shop for their manual workers which took effect early in December last, just after the Employment Bill was published. A closed shop for white collar staff is now being actively negotiated, and the intention is that this will take effect as soon as possible. The Region may decide to have a ballot on this proposal (unlike the manual closed shop) but that is by no means certain.

Between them, Strathclyde and Lothian include over 60 per cent of the population of Scotland. It concerns me greatly that local authorities, who are the providers of a number of basic services and in Scotland of one essential service - water - should be able to act in this way and put the provision of such an essential service at even graver risk during a time of industrial difficulty. I have therefore been considering, with the Lord Advocate, what might be done, bearing in mind the political situation on the Employment Bill.

We have considered, but rejected, a suggestion that Clause 6 of the Bill might be made to take effect from the date of First Reading. This would have caught the recent and current proceedings in Lothian and Strathclyde, but only at the price of potential considerable criticism both within and outside the House, and would not have gone to the root of the problem.

The essential point, it seems to us, is that the provision of essential services should not be put at risk by closed shop arrangements. We therefore have two proposals to make.

The first is that Clause 6 might be amended to provide that persons who undertake essential duties would not be subject to dismissal, and would be given the other protections of the clause, if as a result of their activities in maintaining such services they were expelled from their union. My second is to suggest that the Code of Practice provided in Clause 2 in the Bill should be used to provide a code of practice for the operation of closed shops (it may be that this is already in mind) and that this code should allow for the provision of essential services to fall outside closed shop arrangements. I hope that these proposals can now be considered positively.

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

George Younger

11 FEB 1980

