2 Vec Mr Lankester PRIME MINISTER

Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

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29 June 1979

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Tim Lankester 10 Downing Street LONDON SW1

Dear Tim,

IPCS PAY DISPUTE

- 1. David Laughrin wrote to you on 22 June about the industrial action taken that day by the IPCS. This letter is to bring you up to date for the return of the Prime Minister from Japan.
- 2. Limited industrial action continues, with a pattern of localised action for either one day or one week. Targets may well change next week but at present action is concentrated on the following MOD units:
 - a. The Hydrographer's Department, Taunton which produces naval charts and where production has stopped;
 - b. The Royal Ordnance Factories at Bishopton, Chorley and Radway Green producing military supplies;
 - c. The Aircraft servicing and storage unit at Kemble, Gloucestershire, which supplies spare parts to operational aircraft.

Though disruptive none of this action is at present jeopardising essential operations, health, safety or security. In addition, however, a number of other areas are affected by the IPCS withdrawal of goodwill which is causing disruption of work programmes in the dockyards and reducing production in other Ordnance Factories.

Some developments are expected next week with half-day walkouts at Portsmouth Harbour Control Centre and contingency arrangements are in hand to deal with this.

3. The Minister of State has again seen an TPCS delegation led by their General Secretary. It is Mr Channon's view that a solution to the scientists dispute ought to be possible quite quickly, provided the IPCS do not choose to hang out on the scientists until the Professional and Technology issue is resolved. Officials will resume negotiations early next week. On the pay of the Professional and Technology Group, the gulf between management and unions remains wide. Sir Ian Bancroft has, on the Minister of State's behalf, written to the IPCS today setting out fully the reasons for not being able to offer more than has already been put on the table. This accords with the Prime Minister's views.

We shall, of course, continue to report as the situation developes.

I am sending copies of this letter to the Private Secretaries of members of Cabinet (including the Minister of Transport), and to Martin Vile, in Sir John Hunt's Office.

Hours sincerely, Jim Buckley.

J BUCKLEY Private Secretary