



Secretary of State for Industry

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30 July 1980

The Rt Hon James Prior MP  
 Secretary of State for Employment  
 Department of Employment  
 Caxton House  
 Tothill Street  
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R-18

*Dear Jim,*

TRADE UNION POLICY: GREEN PAPER

With the Employment Bill nearly on the statute book, and draft Codes of Practice on Picketing and the Closed Shop about which you have just written, going shortly into consultation, I expect you will soon be giving serious thought to the scope and content of the Green Paper which has been promised for later this year. No doubt, when you have drawn breath, you will be circulating your own proposals but in the meantime I thought it might be useful if I were to let you have a note of some of the issues which, after discussion with Ministerial colleagues here, I think it important we should aim to cover.

- ... 2 These are set out in the attached list. None of the items individually will surprise you although in one or two cases the subject matter goes beyond the narrow question of immunities to which the Green Paper was originally to be confined. But I believe that the Green Paper should address itself to a number of separate but related issues affecting the rights and obligations of trade unions which still deeply worry people and which, even if eventually not considered a matter for legislation, deserve a full public discussion on the basis of a fair and balanced consultative document. There seems to me to be advantage in including them in the consultative process for this may, depending on circumstances, enable industry and the public to judge the alternatives against direct experience of the effectiveness or otherwise of the measures included in the present Bill. The public reaction will also give the Government a guide to how much support we would have (including from trade unionists) for further steps in the step by step approach.
- 3 You may feel that I am overrating the power of legal change and that too many further reforms could bring the law into disrepute and disregard. I would answer that a full Green Paper would enable us to have an up-to-date feel of public attitudes which themselves have a bearing on such a risk.



4 Might it be a good idea if the Green Paper were to contain a statement on the provisions and operation of similar legislation in other countries? I suspect this will show the public that far from being overly restrictive we allow organised labour a good deal more freedom than is considered sensible by our main trading competitors.

5 I am sending copies of this letter and enclosure to members of E Committee and Sir Robert Armstrong.

*E. ...*

*...  
...*



#### PROPOSALS FOR INCLUSION AS DISCUSSION POINTS IN THE GREEN PAPER IMMUNITIES

1 The manifesto included a pledge that the right to picket "should be limited to those in dispute picketing their own place of work". The Green Paper should consider the scope of restricting immunities to actions taken by employees of the firm actually in dispute.

2 The manifesto said "if the law can be used to confer privileges, it can and should also be used to establish obligations". The Green Paper should explore the scope for making trades unions liable for the actions of their members.

3 The Green Paper should consider conferring immunity on strikers only after a majority of the workforce in question had voted for strike action in an independently supervised ballot.

#### CLOSED SHOP ALTERNATIVES

4 Abolish the Closed Shop.

5 Replace the Closed Shop with 'Agency' shops as defined in the 1971 Act.

6 Retain the legal basis for Closed Shops but regulate their operation.

7 Control the Closed Shop by requiring:

- a) a periodic confirmation vote in favour of retaining a Closed Shop by a majority of the workforce in a secret ballot.
- b) Freedom for a significant (specified) minority of the workforce affected by a Closed Shop to demand a confirmatory ballot.

#### AGREEMENTS

Collective agreements between trade unions and employers should be legally enforceable to the degree applicable to all other agreements under British Law.

1. AUG 1981

