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5 November 1980

#### CODES OF PRACTICE

Thank you for your letter of 29 October. I have made a number of further changes to the Codes in the light of your letter and Michael Havers minute of 28 October to the Prime Minister. I have also modified the draft to meet some of the criticisms of the Select Committee on Employment whose report was published yesterday.

I have not accepted the (apparently unanimous recommendation of the Select Committee that the guidance on periodic review of existing closed shops should be omitted from the Closed Shop Code and, (except for the omission of the redundant word "regularly" in the first line of para 43) this part of the Code is unchanged from the version I circulated on 22 October. Given the weight of opinion on this whole issue I did not think it right to specify the interval between periodic reviews. It is clear that, as it stands, these paragraphs already go further than most employers wish, a fact which is reflected in the Select Committee's recommendation.

Similarly I did not feel able to reintroduce the sentence which appeared at the end of paragraph 25 of the consultative draft. These words were widely criticised by employers on the grounds that they could be used as evidence of the "biased" nature of the Code whilst not contributing anything of practical value. However, I have included a reference in paragraph 34(f) to the need for ballots on new closed shop agreements to be secret and to the greater confidence that will result if they are conducted independently (although I do not think that it would be practicable or necessary for them to be conducted independently in every case).

The CBI list of the circumstances which should trigger a review of an existing closed shop (which I have incorporated in paragraph 43) does not include a specific mention of changes in the composition of the workforce due to technological change because this factor is covered by 43(i) ("evidence that the support of the employees for the closed shop has declined"). The EEF were strongly opposed to a reference to



change in the composition of the workforce on the grounds that it would "make unions more suspicious of, and more resistant to, necessary industrial and technological change".

Finally, I agree with you that the question of disciplining union members for crossing a picket line is a very difficult one. We have to balance the risk of appearing to undermine trade union internal authority (which in other contexts we are anxious to promote) against the risk of condoning the expulsion of someone in a closed shop from his union because he has decided to cross the picket line. I think that the wording in the version of the Code I circulated on 22 October is the best we can achieve. It does not allow a union member to be disciplined for crossing a picket line other than at his own place of work or even at his own place of work if the picket line is authorised by a union other than his own. It therefore meets the problems of the lorry driver confronted by a picket when delivering or collecting goods. Only if he crosses a picket line authorised by his own union at his own place of work does the Code suggest that his union should be able to discipline him, and, of course, in those circumstances he will normally be disciplined for refusing to take part in a strike rather than on the incidental grounds that, in order to do so, he crossed a picket line.

I am sending copies of this letter to the recipients of yours.