PRIME MINISTER Both Mr Varley and David Basnett were interviewed on "World at One" on reactions to the working document on trade union immunities. The main reactions to emerge were: VARLEY - would give rise to the most contentious legal cases in the midst of disputes; - would make industrial relations a field day for lawers and agitators; - it is all very complex and not the place for the law, quoting Mr Heath that industrial relations are human relations and the TUC the best kind of industrial relations self-regulation; - what is undeniable is that whenever a Conservative Government is in power industrial relations deterioriate; when challenged on this by Robin Day he agreed that last winter was a most serious blemish on Labour's record which had, however, to be viewed as a whole, it was not necessarily wrong to seek to legislate but the big question was whether it was practical; - but surely the Government is mandated? Response: Mr Prior has got a terrificbattle against Tory Party extremists but what we are now seeing by way of industrial relations legislation is a smokescreen for the collapse of the economy and mounting unemployment - the action being taken by the Government is extremely dangerous; creating a climate of conflict in society. - instead, given our very serious economic problems, we ought to be switting down around a table to see how we can solve them - a theme repeated later in the interview; - judges notoriously incapable of interpreting an industria situation; - proposals will inflame and exacerbate; - but surely Government has a mandate? Maybe but if only people understood how complicated the issues are.... Government anti-trade union. R Ingham 19.2.80