



he could get any benefits.

A difficulty of principle that occurs in relation to this problem is that a striker who has opposed strike action is treated in exactly the same way as one who was in favour of it.

Another factor which is of considerable relevance to the total financial situation in these cases is that tax rebates are increasingly forming a significant financial cushion against hardship in the strike situation. They can be claimed as of right by all those strikers who pay tax, and as the income of the lower paid has increasingly risen over the tax threshold, this has been an increasingly important factor.

The sum paid out in National Assistance / Supplementary Benefit in some post war years has been as follows:-

1955	£156,000
1957	£122,000
1964	£50,000
1968	£330,000
1971	£4,309,000
1972	£8,380,000
1973	£730,000

Although the academic research that has taken place in this area is necessarily



incomplete, and not entirely up to date, such evidence as exists shows that only between  $\frac{1}{4}$  and  $\frac{1}{3}$  of the households eligible to claim benefit while involved in strikes have ever actually claimed benefit. Furthermore it would appear that the amount actually paid in Supplementary Benefit has been of the order of 25% to 30% of the average net disposable income per head. These figures and calculations are certainly open to substantial challenge, but the level of payment combined with the proportion of take up does seem to indicate that it is most unlikely that a significant number of strikes would not have taken place, if Supplementary Benefit had not been available to dependants. We should therefore clearly appreciate that any action that we take to deal with this problem is most unlikely to reduce the number of strikes. Its purpose, rather, is to assuage the genuine and justified feeling of outrage that widely exists at the moment.

It is with these considerations in mind that we have considered the various remedies that have been proposed. One suggestion that has been made is that tax rebates should not be paid during the course of a dispute. The PAYE system is designed to ensure the full payment of tax due by the end of the financial year. This means that any short fall in earnings produces an automatic over assessment with an unqualified legal right to rebate. Repayments are normally remitted weekly by the employer concerned, and if he refuses to co-operate



they will be paid by the Inland Revenue, although this may involve some delay. If action was taken to delay tax remission this would amount to what was in effect an alteration to the fiscal system consisting of a delay in what would otherwise be an automatic entitlement for "disciplinary" reason. Normally tax rebates will be payable purely as a reflection of the individual's financial position, and it would seem to be most undesirable in principle for the normal operation of the tax system to be interfered with in this way. An important practical consideration to bear in mind is that in any event if this were done the rebate which would otherwise have to be taken into account when calculating the entitlement, if any, to Supplementary Benefits, would no longer be taken into account, and the benefit would be correspondingly increased.

What at first sight would appear an attractive alternative would be to recover the benefit paid directly from the unions concerned. This does, however, have very serious practical problems. In the first place many unions would not actually have the funds to meet the payments. Secondly unions would have no control over who claimed benefit. Thirdly it would be very difficult to confine the obligation to official strikes, and manifestly unfair to impose it in the case of unofficial ones. Fourthly, difficulties would arise in the case of non union members who were on strike. This analysis does not take into account any of the political difficulties that might be associated with such a step.



A practical alternative that has been proposed is to treat the amount of benefit claimed as a loan to be paid back by the striker at a set amount over a reasonable period. If this were done unions would be under pressure to make up in strike pay the amount that had to be repaid, and the period of repayment could be sufficiently long to prevent hardship. The difficulty of this scheme is that it would bear most heavily on the lowest paid. As the amount of benefit paid is reduced by the amount of tax remitted, those getting the highest rate of benefit would be left with no other source of income. There would also be considerable ill feeling between those who had to make repayment at the end of the strike and those who did not have to do so. The scheme would necessarily involve management in its operation and is likely to be opposed by them.

A variant of this arrangement would be a scheme whereby if a union paid a contribution to the striker equivalent to 50% of the allowable benefit, the obligation to repay the remaining 50% would be removed. The payment by the union would have to be via the employer, in order that the amount paid could be properly verified. This would cause problems in the discrimination that it made between unofficial and official strikes, which would be difficult to implement in practice, and the whole scheme is in any event a somewhat complex one



which would require care in explanation and presentation. Yet another alternative that should be considered is the reduction of the benefits that would otherwise be payable by a fixed figure deemed to be paid by the unions. This might have the effect of compelling the union to pay money out in the case of official stoppages, but of course some unions, such as the Post Office Union simply do not have adequate funds to do this. For this arrangement to be workable it would be necessary to repeal, in the case of industrial action, the power to give benefit in the case of hardship under Section 13 of the 1966 Act. This scheme obviously involves the most direct attack on the living standards of strikers' families, and would be the one likely to arouse the greatest degree of political opposition.

Yet another proposal that has been made is that Supplementary Benefits in respect of rent and rates should not be made in a strike situation. We consider that there is little to be commended in this scheme, as it would merely have the effect of placing upon local authorities the burden of collecting rent and rates from those who might not be able to pay. It would also be self defeating, as the obligation on the part of the striker to pay his rent and rates in the normal way would



merely mean that the actual sum of benefit that was paid would be likely to be increased.

There is, however, one further alternative which we have considered and which we would recommend for implementation. This is the proposal that Supplementary Benefit should be treated as earned income. This would mean that the amount of money paid by the state for the benefit of the strikers' dependants would count towards ~~the~~ taxable income of the striker. He would be required to enter any benefit received at the end of each financial year on his tax return form, and in due course he would be taxed on it. The consequence would be that the longer the dispute continued, the greater the tax liability would become. The amount of tax due would not be treated as a lump sum repayment, but would be recouped in the following year through an alteration of the tax code number. There should be little difficulty in administering the scheme, as the amount paid to each striker could readily be communicated to the Inland Revenue.

We appreciate that in form this proposal does not make the direct impact that some of the other suggestions would make, but we do consider that it would achieve a broadly similar result without any of the disadvantages of the other proposals, and it is for this reason that we recommend it.



## P I C K E T I N G

Perhaps the most controversial of all individual rights in the industrial relations context is that of picketing. The diverse feelings that it arouses can be seen from the fact that such different suggestions have been made as to extend the right, curtail it, codify it, and subject it to detailed regulations.

The background to the present position is that the Government were committed as a result of undertakings given in their Manifesto during the February 1974 election campaign to liberalise the law of picketing, and in a statement on 22nd March 1974 the Secretary of State said that he would be considering introducing regulations governing the exercise of the right of peaceful picketing. The Government failed to deal with the matter in the Trade Union and Labour Relations Act 1974 and instead introduced a very modest change in Clause 99 of the Employment Protection Bill. That Clause did not go sufficiently far for Labour Left Wingers who combined with the Conservatives to defeat the Clause in Committee. It was not reinstated in the later stages of the Bill. Nonetheless on 30th July 1975 the Secretary of State stated that he would continue



to search for a way of reforming the law, because of the commitment of the Labour Party to such a reform. Since that date there has been no sign of further activity from the Government. At the same time it would appear that the pressure for reform from the Trade Union Movement has somewhat abated.

As far as the Conservative Party is concerned in view of our general posture in the area of industrial relations we would be unwise to tighten the law unless it has become so lenient that that is manifestly necessary to do so, in spite of the political disadvantages. On the other hand, unless the law appears to be excessively harsh, taking into account the realities of industrial power today, it would be unwise to recommend any modification of it, unless there are substantial political returns to be gained from such a step. It is in the light of these considerations that we should examine whether the present law is unduly obscure, whether it is too strict or not strict enough, and whether there is scope for reducing conflict in the picketing situation in a way which would be politically acceptable.

Is the present law obscure? Under Section 15 of the Trade Union and Labour Relations Act 1974 "it shall be lawful for one or more persons in contemplation of furtherance of a trade dispute to attend at or near - (a) a place where another



works or carries on business; or (b) any other place where another person happens to be, not being a place where he resides, for the purpose only of peacefully obtaining or communicating information, or peacefully persuading any person to work or abstain from working"

This provision has been amplified in a number of judicial decisions. These were made before the enactment of the 1974 Act but that Act itself is not substantially different from either the 1906 or 1971 Acts which preceded it.

These decisions make it clear that:-

(a) The statute does not confer a positive right to Picket, but only provides that if the Picketing is carried out in the circumstances defined it shall not itself constitute an offence. If, however, at the same time as Picketing, and in the course of so doing, the persons involved commit another offence, such as obstructing the Highway, or obstructing the Police in the execution of their duty, they cannot escape criminal liability for those other offences merely because they were Picketing at the same time.

(See Broome v. D.P.P. 1974 2WLR58)

(b) There is no right to stop vehicles if the driver of the vehicle does not wish to stop (Broome's Case).

(c) Even if no other offence is being committed, there is not a positive right to Picket, as the Police have the

right and even the duty to curtail or even stop Picketing if they reasonably anticipate a breach of the peace occurring (See Kavanagh v. Hiscock (1974) 1QB600) The right, such as it is, is accordingly not to obtain or communicate information or to persuade peacefully, but to attend for that purpose. In the absence of the statute such attendance might itself constitute a tort or crime (e.g. Under the Conspiracy and Protection of Property Act 1875 Nuisance of Common Law).

(d) An excessively large number of Pickets may itself be sufficient reason to infer that the Pickets have a purpose over and above that permitted by the Act, namely of obstructing free passage, and this may be evidence of an offence which could be prosecuted notwithstanding the Act. Moreover, the police are entitled to limit the numbers of Pickets to that considered reasonable in the circumstances (Broome's Case and Piddington v. Bates (1961) 1WLR 162).

It is apparent from the foregoing that the law of Picketing is somewhat more stringent than has sometimes been thought to be the case, but it does not follow from this that it is in any way obscure. As its exercise obviously involves a balance of competing general considerations such as the prima facie right to attend for the purpose of communicating or persuading, and the duty of the police to prevent a whole variety of disorders (Such as threatening or insulting behaviour) which they may



anticipate, it is inevitable that the language in which the competing considerations is phrased, either in the statute or in the decided cases, is comparatively vague. Unless an absolute right were granted, it would be impossible to avoid the sort of general phrase, such as "reasonable" which is to be found in many other branches of the law.

Is there, nonetheless, something to be said for getting the law together in one consolidated statutory enactment? Although this has obvious attractions, there would appear to be two serious objections to this being done. Firstly, the limitations to the right to picket derive from various branches of the law, such as the law relating to the Highways, Public Order etc., and do not specifically relate to picketing. It would therefore, be inappropriate to bring them into a statutory enactment dealing specifically with picketing. Secondly, and perhaps more importantly, while the present express statutory right appears "liberal", the other statutes affecting the problem, and the judicial cases relating to it are more restrictive in character, and therefore to bring the law together in one place would only throw into relief the limited nature of the present right. If, therefore, no change in the law is to be made, the consolidation and enactment of the law in its present state would be likely to stir up agitation against it within the Trade Union Movement. It would therefore seem that unless a change in the law is



to be suggested there is little to be said for its re-enactment and consolidation.

The next question to consider is whether the law is unduly strict or not strict enough. There can be no doubt that the present law narrowly circumscribes the right to picket. It would be an exaggeration, however, to say, as has been suggested by some Left Wing commentators, such as Professor Wedderburn, that the right is nugatory. If pickets attend in reasonable numbers and do not in addition obstruct the Highway, commit any other criminal offence, or try to stop vehicles against the wishes of their drivers, they do have the right to communicate and persuade. Communication and persuasion is the purpose of the present law, and the implied limitation on the number of pickets is surely a reasonable one. Even Michael Foot said that he is not in favour of actually giving pickets the right to stop traffic:-  
"We cannot adopt the view that one group of individuals should have rights to stop others, thus conflicting with the rights of others to pass unimpeded on the Highway". (Hansard 30.7.75)

The one area of the law which might be thought unduly onerous is the provision that pickets may be prevented from even attempting to persuade or communicate, if the police anticipate a breach of the peace. Although it may well be right that the police should be able to prevent picketing if that is really going to lead to serious

disorder, the present law, by failing to give any positive right whatsoever to approach and persuade, makes intervention almost always justifiable. It was to deal with this situation (as exemplified best in Kavanagh's Case) that the Government sought to introduce Clause 99 of the Employment Protection Bill. This would have given a positive right for a Picket to seek by peaceful means falling short of obstruction of the Highway to persuade another person to stop, although not of course to compel him to stop.

Although this comparatively minor change in the law of Picketing might in itself appear to be justifiable, it should be considered within the general context of the balance of power in industry. Even though a theoretical case for this limited degree of liberalisation can be made out, the present effective power of the Trade Union Movement in strike situations, whatever the law may actually say, is so great, that it is difficult to see any justification for increasing it, except in return for a very definite quid pro quo, and not merely in the hope of improving the general atmosphere. There would consequently appear to be no justification for recommending a change in the law, unless a positive answer can be given to the third question that "we have posed!- namely,

Is there scope for reducing conflict in the Picketing situation in a way which would be politically acceptable?

Whether or not the law in its present state is satisfactory, there can be no doubt that its enforcement has in the past posed real problems, especially during the 1972 Miners' Strike. The problems arose almost entirely in cases where there were large numbers of Pickets, which obviously increased the risk of violence, and prevented those wishing to pass through the Picket line from doing so. As has been seen, under the present law it would almost certainly have been possible to charge the persons concerned with any one of a number of offences, so that the problem presented here is really one of enforcement and not of law. Nonetheless, if a change could be made in the law which could have the practical effect of reducing the number of occasions on which large bodies of Pickets assembled, this would be thoroughly desirable, as it would achieve what the present law theoretically achieves, namely enabling those who wish to go to work, notwithstanding the Pickets, to do so. It is with these considerations in mind that it has been suggested that some sort of "deal" might be done, whereby in return for severe limitations on the number of Pickets a limited right to stop traffic would be granted. Such a suggestion has considerable attractions, but a number of practical difficulties arise in implementing it.



(1) Should such an arrangement be introduced by statute, regulation, or otherwise? The Government plainly had regulations in mind, but ran into difficulties in drafting them. Although regulations are a more flexible form than a statute, the situations which would have to be covered are so various, that it is doubtful whether even regulations would be sufficiently flexible to deal with every possible eventuality. A limitation on the numbers would not be sufficient, and it would be necessary to make it clear whether the numbers applied to a particular point, entrance, distance along a wall etc.

(2) It would almost certainly be regarded as unacceptable in principle, for the reasons given by Michael Foot himself, that pickets should themselves have a right to stop vehicles. This right could only be given to the police operating in defined circumstances at the request of pickets. It would accordingly be essential once a scheme is formulated, to have full consultations with the Police Federation, as to whether they regard the scheme as acceptable. It has been their strong opposition in the past to change in the law which led to the Government dropping its own ideas. We have, however, ourselves met representatives of the Police Federation and somewhat to our surprise they told us that they had no real objection to stopping moving vehicles at the request of pickets, and did not regard this as a unduly embarrassing task to be given.

(3) It would be necessary to make it clear that

any right to stop vehicles could only arise at a place of work, although the general right to Picket applies elsewhere as well.

(4) One possible way of enacting an arrangement of this kind would be to provide by statute that where a Senior Police Officer contemplates that Picketing will take place he may determine how many Pickets are reasonably necessary at the particular place for the peaceful obtaining and communicating of information and the peaceful persuasion of people to work or abstain from working. The statute could go on to say that he may then limit the number of Pickets accordingly, and prescribe their precise location. Although this may seem to give the police considerable powers, it does no more than formalise the practice that is widespread already. The statute could go on to provide that where the limitations laid down by the Police Officer had been complied with, the Pickets shall be entitled to request the Police Officer to stop traffic entering the work place for a period of time which is in the circumstances sufficient to enable the Pickets to have a reasonable chance of communicating, persuading etc. The time required would vary according to the distances etc. involved.

(5) It would be impossible to make it obligatory for the Police to lay down requirements of this kind, as if this were done they would invariably have to provide Constables to stop traffic, and they might not always have the manpower to do so. It is therefore necessary to





give the police the discretion as to whether or not to issue requirements of this kind, so that they need only do so where they have the manpower to operate such a scheme.

(6) A point for consideration is whether when such a scheme is in operation any picketing in breach of it should automatically be a criminal offence, whether it would otherwise be so or not, or whether such police requirements should merely provide a trigger to enable the pickets to require the police to stop traffic.

(7) . Another problem that arises is to identify the particular person who is entitled to request the police to stop the traffic. Lawful picketing is of course not confined to official strikers. Is it practicable to allow every striker the right to require the police to stop incoming traffic, provided that the police regulations have been complied with? This might not matter in practice, as it would always be open to the police to decline to issue the directions, and allow the present position to continue.

(8) It would be necessary to provide in the Act that the police directions should be communicated to the pickets, but in what form and to whom should they have to be communicated? It would probably be sufficient to require that they should be communicated to the persons and in the manner that is reasonable to all the circumstances.

(9) It would be necessary to face up to the



fact that if such a scheme were introduced, there would be a positive duty on those seeking entry to stop, and if they failed to do so they would themselves be guilty of an offence. In the circumstances this would be reasonable as they would be stopping under strict police supervision, and at the request of the police.

It does, then, seem to us, that the difficulties in the face of an arrangement of this kind can probably all be overcome. It then becomes a question of political balance as to whether <sup>to</sup> actually announce or seek to introduce such a scheme. This must depend on the view taken by the Party about industrial relations, and indeed, policy more widely. In our view, however, there is much to be said for making no pronouncement about changes in the law of picketing, but holding the scheme that we have described in reserve and bringing it into the open at a later date, whether as a quid pro quo or as an initiative on its own.

#### C O N C L U S I O N :

Although some of our proposals can be considered on their own, we believe that in this field, more than in almost any other, what is at least as important as the specific proposals is the flavour of the package as a whole. We consider that if our proposals were implemented the Party would appear to be neither unduly provocative nor unduly timid. It would be



recognising the realities of the present power situation, but by seeking to effect changes in the direction of greater individual rights it would subtly alter the balance of power on the basis of a principle which the trade union movement would find it difficult to enlist public support in opposing. We very much hope, therefore, that if some of our proposals are found unacceptable, the general balance is undisturbed and continues to point in the same direction.

June 1976

**SOCIAL CONTRACT AND COLLECTIVE BARGAINING**

(Motion 53 and Amendments, Motions 54, 55 and Amendment, Motions 56, 57, 59, 60, 61, 62, 63, 64, 66)

This Congress welcomes the continued reduction in the annual rate of inflation which has arisen largely as a result of the T.U.C./Government initiative on prices and incomes. It is further encouraged by the response given by the trade union Movement to the Social Contract 1976/77, and recognising the sacrifice and restraint shown by all workers during the economic crisis of the last 18 months, supports the view that a planned return to free collective bargaining should begin to take place in 1977.

Congress believes that in order to avoid a wages free-for-all which would be injurious to weaker members of the community and which could destroy or jeopardise our long-term objectives, in a return to free collective bargaining the following matters should receive priority:

(1) the recognition and payment of satisfactory differentials to reward ability, effort, skill and responsibility sufficient to meet and maintain agreed manning standards and the correction of other anomalies and inequities;

(2) a continued and developing emphasis on improvements in basic rates and other special measures in order to assist workers on low pay and implement a T.U.C. minimum wage policy;

(3) a strengthening of the Wages Inspectorate in order to protect the low paid and reverse the alarming increase since 1971 in underpayment of legal minimum rates in wages council industries;

(4) measures to ensure that the flat-rate supplements paid under the Social Contract are incorporated on a phased basis into basic rates for the purposes of calculating overtime, payments by results, shift payments, etc.; and

(5) an expansion of sound mutually agreed incentive and payment by result schemes and genuine productivity agreements.

Congress urges the General Council to consult with all affiliated unions and to prepare a report on how greater flexibility in negotiations may be achieved consistent with maintaining the attack on inflation and reducing the level of unemployment.

*Moved by*

Union of Shop, Distributive and Allied Workers

*Seconded by*  
Transport and General Workers' Union

*Supported by*  
Society of Civil and Public Servants  
Institution of Professional Civil Servants  
National Union of Bank Employees  
National Union of Agricultural and Allied Workers  
Union of Post Office Workers  
Society of Post Office Executives  
Association of Patternmakers and Allied Craftsmen  
Greater London Council Staff Association  
National Union of Dyers, Bleachers and Textile Workers  
Confederation of Health Service Employees  
Association of Government Supervisors and Radio Officers  
Musicians' Union  
Merchant Navy and Airline Officers' Association

## UNEMPLOYMENT, IMPORTS AND INDUSTRIAL POLICY

(Motions 52, 67, 70, 71, 72 and Amendment, Motions 73, 74, 76, 77, 78 and 79)

Congress finds the present level of unemployment totally unacceptable.

This Congress recognises the importance for the future of the Labour Movement of the continued co-operation between the industrial and political wings of the Movement in defining economic and social objectives and priorities. Also Congress recognises the action which the Government has already taken as part of its job creation programme.

Congress demands in particular that the Government takes urgent steps to reduce unemployment among young people; expand apprenticeships and other training opportunities - and that the Manpower Services Commission be granted greater power to provide employment prospects for young people; give selective assistance to firms increasing their employment of young people, and measures should be taken to encourage the provision of more full-time and day release educational courses for 16 to 18-year-olds.

Congress instructs the General Council to construct a socialist economic and industrial strategy. Congress urges the Government to develop an effective national and regional system for planning investment and development involving the trade union Movement in all decisions and discussions relating to future legislation and for such purposes include the following measures:

- (1) movement to an expansion of the economy;
- (2) strictly enforce price controls and increase food subsidies;
- (3) increase taxation for those in the higher income brackets and on distributed profits;
- (4) increase funds available to the N.E.B. and increase investment in the nationalised industries;
- (5) restrict the export of capital;
- (6) an extension of public ownership, including the banks and key financial institutions;
- (7) selective control of imports.

Congress recognises the vital importance of the regeneration of British industry and that this will depend on stepping up the rate of investment in new plant and equipment. Congress believes that

large financial institutions, especially insurance and pension funds, have a major role to play in channelling resources back into manufacturing industry. Further the Government should pursue the work of the N.E.D.O. Committee on Finance for Investment and establish a public examination of the basis for using part of the funds controlled by superannuation schemes for direct investment in manufacturing industry, as applies in other countries.

Congress especially expresses its growing concern towards the contraction of many manufacturing industries, thus creating considerable losses in employment opportunities and a growing shortage of industrial capacity.

Congress therefore calls upon the Government to take steps immediately to raise the level of industrial efficiency in every sector of the economy in order to arrest the challenge of growing economic inequality.

*Moved by*

Amalgamated Union of Engineering Workers (Engineering Section)

*Seconded by*

National Union of General and Municipal Workers

*Supported by*

Association of Cinematograph, Television and Allied Technicians  
Furniture, Timber and Allied Trades Union  
National Union of Public Employees  
National Union of Sheet Metal Workers, Coppersmiths, Heating and Domestic Engineers  
Tobacco Workers' Union  
Amalgamated Society of Boilermakers, Shipwrights, Blacksmiths and Structural Workers  
Association of Professional, Executive, Clerical and Computer Staff  
National Society of Metal Mechanics  
National and Local Government Officers' Association

## REDUCTION IN WORKING HOURS AND UNEMPLOYMENT

(Motions 80 and 81)

Congress declares the need to give priority to reducing the working week as soon as the return to normal collective bargaining is resumed and calls on the General Council to lead a campaign for a 35 hour week. In this respect Congress welcomes the declaration adopted by the recent E.T.U.C. Congress 'that the time is right to launch a co-ordinated E.T.U.C. campaign to reduce working time' and calls upon the General Council to seek its early implementation.

Congress also recognises the responsibility of the whole trade union Movement to reduce overtime working and oppose 'moonlighting'.

*Moved by*

Transport and General Workers' Union

*Seconded by*

Amalgamated Union of Engineering Workers (Technical, Administrative and Supervisory Section)

## PUBLIC EXPENDITURE

(Motions 82, 83, 84 and Amendment, Motions 85, 86 and Amendment and Motion 87)

Congress, believing that the threat to the standards of the public services posed by present economic policies will be of a long-term rather than a short-term nature, calls on the Government to consult those trade unions with members in the relevant public services where cuts are proposed and make available to those unions full information on public sector budgeting so that the consultation can be effective before irrevocable decisions are made.

Congress reaffirms its opposition expressed at the special Congress in June 1976 to further public expenditure cuts. It recognises that the planned growth of social expenditure and of the public sector must play its part in a plan for economic recovery. Congress expresses concern at the reduced public expenditure programme outlined in Public Expenditure to 1979-80 (Cmd 6393) and the further cuts announced on July 22, 1976, and rejects the concept of 'cuts' as a means of improving the economic situation.

Congress is opposed to cuts in public expenditure resulting in increases in the level of unemployment in the public and private sectors at a time when unemployment stands already at an unacceptably high level, and will give full support to all affiliated organisations involved in fighting the 'cuts'. Congress notes with alarm the admission made by the Department of Employment that the further expenditure cuts and deflationary measures announced by the Government on July 22 will lead to a loss of 110,000 jobs. It calls upon the General Council to take every possible step to urge the Government to adopt policies to solve the balance of payments problem by selective action on imports; to limit speculative movements of capital by tightening the exchange control regulations; to ensure that pension and insurance funds maintain an adequate and continued supply of funds for industrial investment, public and private; and to take action to increase overall demand in the economy sufficient to reduce the level of unemployment to 600,000 by 1978 in accordance with T.U.C. policy. Congress believes that the need for manufacturing investment should be met by increased public expenditure through the N.E.B. Congress further notes that present Government policies could lead to further sterling crises, further panic measures and therefore even higher unemployment than that generally expected at present.

Furthermore, as a consequence of these cuts, the provision of adequate public transport, education facilities and social services is seriously impaired thus placing the burden of the economic crisis on those least able to bear it. Congress reaffirms the views expressed in composite resolution No. 14 of the 1975 Congress and paragraph 35 of the General Council's Report of the 1976 special Congress and its belief in the economic and social justification for public expenditure at a level necessary to maintain and develop the standard of publicly owned enterprises and services, especially in view of the importance of the social wage at a time when real wages are being held back. Congress therefore instructs the General Council to press the Government to revise its policy on public expenditure.

Congress deplores the arbitrary decision of the Government to cut some 35,000 Civil Service jobs. It recognises that, if the Government proceeds with these cuts, they will not only add to the already unacceptably high level of unemployment and restrict job opportunities, particularly for school leavers, but also seriously impair the standard of public service and jeopardise the implementation of social and economic programmes demanded by the trade union Movement in their representation to Government. Congress therefore agrees that the General Council should ask the Government to review its proposals on Civil Service manpower cuts and instead provide the resources necessary to carry out democratically agreed Government policies and maintain a high standard of public service.

Congress calls on the Government to reject any proposals for further cuts and urges the relationship between public expenditure and overall economic growth should be such as to keep public and private spending in balance.

*Moved by*

National and Local Government Officers' Association

*Seconded by*

Civil and Public Services' Association

*Supported by*

Fire Brigades' Union

National Union of Public Employees

Society of Civil and Public Servants

Confederation of Health Service Employees

National Association of Teachers in Further and Higher Education