

cc Mr Wolfson  
Mr Ryder  
Mr James

PRIME MINISTER

I have not yet sent  
Mr Prior a copy of your  
remarks tomorrow. X

overleaf will displease you

shall we set an october deadline?

MS  
14/8

PRIME MINISTER

I thought that in advance of the Debate on the Address I should let you know how I have it in mind to handle our proposals for industrial relations legislation. In my view it is absolutely crucial to our whole Administration to get this right.

① I propose straight away to get ahead with setting up the inquiry into SLADE's methods of recruitment and blacking tactics. I am also having examined as a matter of urgency the possibility of making one or two straightforward changes in employment legislation by Order. Two possibilities are the extension of the qualifying period of service before claims of unfair dismissal can be made for 26 to 52 weeks, and a reduction from 60 to 30 days of the notice required for redundancies of less than 100 people. Both these changes would be well received by small employers, though it would be essential to consult the CBI and TUC before coming to a final decision.

7  
6 weeks?  
2 years?  
This decision should be referred to CBI & TUC

Turning to the Manifesto commitments to reform the law on the closed shop, picketing, possibly also trade union immunities and to encourage the use of secret ballots, clearly we want to keep down to a minimum the time during which legislation on these matters is before Parliament. But it would be fatal to follow the 1970 pattern and rush things too much. We must live up to our promises to consult. We must have long enough to get the legislation through.

It may be suggested that legislation should be in force before next winter's possible crop of disputes. But our proposed changes in the law will not alter things overnight. It is far more important to minimise opposition as far as we can and to finish up with legislation that sticks. That would be a vital landmark.

I have spoken to Mr Murray and am hopeful that the TUC if properly handled will not reject our proposals outright but will enter into meaningful consultations with us. John Methven has also cautioned me against precipitate action.

It will be the first to complain if secondary picketing starts again. Not

I am planning to bring proposals before colleagues as quickly as possible so that I can then start informal consultations with the CBI and TUC. It is best that these should still be in progress at the time of the TUC Congress in September.

X | Working on this basis I should be able to publish a Bill before the end of the year. *Please try to get it published by Nov. We ought to get it in committee before then.*

Finally, to revert to the Employment Protection Acts, over and above what is may be possible to do by Order I have asked for a review of the provisions to be set in hand with particular regard to lightening the burden on employers, especially small businesses. Beyond that there are other matters like the union recognition provisions and the terms of reference of ACAS. I would like to defer for a while the decision whether these might be covered in the trade union Bill or whether we should have to leave them for a second, later Bill.

I am copying this minute to our colleagues on the Economic Strategy Committee, to the Chancellor of the Duchy, the Chief Whip, the Solicitor General and to Sir John Hunt.

*My notes second, later  
D.H.*

J P  
14 May 1979

*ans*

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