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Tim Lankester Esq Private Secretary 10 Downing Street LONDON SW1

/4 April 1980

Dear Tim.

EMPLOYMENT BILL: BALLOTS AT THE WORKPLACE

I am replying to your letter of 10 April conveying the Prime Minister's support in principle for the proposal outlined in my Secretary of State's minute of 8 April and raising two additional points.

The purpose of the proposal - and the reason it has the full support of the CBI - is to encourage and enable unions to take decisions by means of secret ballots at the workplace rather than out of doors at mass meetings by ensuring them the availability of a suitable place for holding the ballot. To require external supervision of the ballot which would be strongly resented by the trade unions would be inconsistent with this purpose. Such a requirement would make it unlikely that the provision would be used. Unions would continue holding meetings rather than avail themselves of the statutory provision under such conditions.

The suggestion that the Clause should also contain a provision for a ballot where a majority of the workforce had indicated their desire to be balloted but the union had not asked for one would involve placing the obligation to hold the ballot either on the employer or on the union. In the case of the employer this would seem unnecessary. If over 50% of his workforce had intimated to him their desire for a ballot, the employer would surely take the initiative himself in holding a ballot. If he did not, he would doubtless have good reasons for this and we should not force his hand in the matter.

To place the obligation to hold the ballot on the union would fundamentally alter the character of the Clause. It would go against the Government's philosophy embodied in Clause 1 of the Bill of encouraging greater use of secret ballots by voluntary means. To impose compulsory ballots would lose us the chance we at present have - and to which I attach very great importance - of splitting the unions on the Bill by enticing some - notably the EETPU and AUEW - to seek Government finance despite TUC opposition. It would also give rise to extremely difficult, if not insuperable, problems of practicality and enforcement.

John Browne, as the Prime Minister will know, has put down a Clause at Report Stage suggesting a somewhat similar provision at union levelie that a union should be required to hold a secret ballot if this is requested by 15% of the union's total membership or 5,000 members whichever number may be the less. This Clause suffers from the same objections of policy and of practicality and enforcement and my Secretary of State will have to ask him to withdraw it, so far as the present Bill is concerned. Mr Prior will of course be discussing the question of compulsory ballots in the Green Paper, which he believes to be the right way of dealing with this.

I am sending copies of this letter to the Private Secretaries of E Committee and David Wright (Cabinet Office).

You we Richard Dyken

RICHARD DYKES Private Secretary



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16 April 1986

## Employment Bill: Ballots at the Workplace

The Prime Minister has seen your letter to me of 15 April. She is entirely content with your Secretary of State should proceed as he succests.

I am copying this letter to the Private Secretaries to the members of E Committee and to David Wright (Cabinet Office).;



Richard Dykes, Esq., Department of Employment.

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