

CONFIDENTIAL



Mr. H. G. ...
Mr. ...
Mr. ...
Mr. ...
PRIME MINISTER

Prime Minister

The Home Secretary's officials have seen the employers as suggested in Cabinet, and he now proposes no further intervention.

FIREMEN'S PAY

A need for, 11/29/11

Following Thursday's Cabinet discussion my officials have spoken on an informal and confidential basis to officials of the Employers' Side of the National Joint Council of Local Authorities' Fire Brigades to convey the Government's views on the firemen's pay negotiations.

From these contacts it seems clear that the local authority associations are in a state of considerable confusion. After careful consideration and consultation of their members they had decided to honour the pay agreement for this year only and settle for 18.8%, with strings attached in the form of a reduction in the number of firemen. Then on Thursday, 6 November they were told of the 6% limit. Most of the members of the Fire Committee appear to have thought that this did not essentially change the situation (firemen's pay being only a small item in local authority budgets); but senior Conservative members of the ACC, with support from the GLC, seem to have decided overnight that the firemen should be offered only 6%. On the morning of Friday, 7 November this policy was accepted at an Employers' meeting by a majority of 18 to 12; and the offer was accordingly made in the National Joint Council at noon. Many authorities, including all those in Scotland, do not agree with this decision and some counties are already talking of disregarding it and paying their brigades the 18.8%.

The position now is that the Fire Brigades' Union, who are extremely angry at the way in which they have been treated, have written to the Employers saying that the 6% offer is quite unacceptable and that unless the pay agreement is honoured a delegate conference on 21 November will be asked to endorse strike action. There may be a meeting of the JNC Employers on Thursday, 20 November to consider whether any further response should be

made to the FBU before the conference on the following day. The Employers' officials are well seized of the need to try to resume negotiations before the conference; but in the light of the FBU letter it is difficult to see how anything less than an undertaking to honour the pay agreement will prevent strike action being endorsed at the conference. The ACC, who form the majority on the Employers' Side of the NJC, are receiving representations from a number of counties to honour the agreement and are meeting again on Wednesday, 19 November to consider the position.

I am sure that any direct intervention at this stage would be resented. It would certainly become known and would be likely to be misinterpreted. If we press the local authority employers to stick to 6% we shall be blamed for interfering and causing a damaging strike. If we urge them to honour the agreement we shall be blamed for causing them to set a precedent which will make it more difficult to contain subsequent pay settlements (e.g. the local authority manuals) within the guidelines. I believe that the Government's position has now been made clear to the local authorities and that we must leave them to reach their own decision.

I am copying this minute to the Chancellor of the Exchequer, the Secretaries of State for Defence, Employment, the Environment, Scotland, Wales and Northern Ireland, to the Lord President and to Sir Robert Armstrong.

W. W.

17 November 1980