

SECRET + PERSONAL

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SUBJECT

MOST CONFIDENTIAL RECORD

CC (81) 20TH CONICS. MIN. 4.

Thurs 21 May 1981.

No.	Contents	Date
	Civil Service Pay.	

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MOST CONFIDENTIAL RECORD
TO
CC(81) 20th CONCLUSIONS, MINUTE 4

Thursday 21 May 1981

CIVIL
SERVICE
PAY

Previous
Reference:
CC(81) 19th
Conclusions,
Minute 4

THE LORD PRESIDENT OF THE COUNCIL said that at the main conferences of the Civil Service unions motions had been passed at them which would enable the unions to step up the severity of their action if the leadership so decided. Decisions on whether there should in fact be an intensification of action were reserved to the Council of Civil Service Unions (CCSU) who would be meeting early in the following week to decide the course of action to follow. The conference resolutions envisaged the possibility of a full-scale strike lasting for five days; on balance he judged it improbable that the unions would follow this course because only a minority of civil servants might actually comply with such a decision. An all-out strike for a shorter period or intensification of selected action on present lines was more likely. The fact that there was a gap of a few days between the ending of the union conferences and the implementation of any decision to intensify action might be thought to offer an early opportunity to open discussions, but this might not prove to be feasible, given the attitude adopted at the union conferences and the CCSU's internal arrangements (whereby all the unions had to be represented at any talks with Government). It was therefore now likely that the situation would get worse before it got better, and the dispute would probably last for some time yet. There was little alternative for Government but to sit matters out and await developments. In the meantime contingency plans to mitigate the effects of the strike were operating well, and thought was being given to a number of possibilities for action by Government when the moment seemed opportune.

THE CHIEF SECRETARY, TREASURY reported that there was little change in the situation in the revenue Departments.

THE SECRETARY OF STATE FOR TRADE reported that the air traffic controllers' action in the dispute had settled down to a pattern. Heathrow Airport was regularly disrupted but Gatwick Airport was working normally for most of the time. The dispute was causing financial loss to the airlines and one American airline was seeking compensation from the Government. Subject to legal advice, it was unlikely that they had a substantive case for this.

THE FOREIGN AND COMMONWEALTH SECRETARY said that the situation at the Passport Office was deteriorating, particularly in relation to applications for new passports.

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THE SECRETARY OF STATE FOR TRANSPORT said that his main problems concerned the Driver and Vehicle Licensing Centre at Swansea. Mail was now getting in and out, but it had not yet been possible to get in new supplies of nitrogen. For the public the main problem was that new drivers were unable to get provisional driving licences.

THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD said that his Department's computer at Guildford was now affected. The action there was preventing the payment of grants to farmers and the payment of Monetary Compensation Amounts to the trade. Farmers were also being deprived of Value Added Tax refunds. While the action had only just started, the sums of money were significant in relation to farmers' incomes.

There was some discussion both of the measures which the Government might take in response to further escalation and of the basis on which the Government should seek to settle the dispute, but no conclusions were reached or required.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet were agreed that no further steps should be taken by the Government in the present dispute until the scale and nature of any action to be taken by the Civil Service unions following the meeting of the CCSU next week were known. The Cabinet would revert to the issues as necessary after the Recess.

The Cabinet -

Took note.

Cabinet Office

26 May 1981

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