Prime Minister (1)

X is nith ym. Agree

MR SCHOLAR

Mes cc Mr Hoskyns me comment Mr Walters below?

Employment Bill: Clause 7

MUS 2/4

I have discussed Mr. Tebbit's minute of 31 March with John Hoskyns and Alan Walters, and with the Department of Employment.

In response to our proposals, conveyed in your letter of 26 February, Mr. Tebbit is offering two significant new measures:-

- The ability of employers to dismiss those on strike in one of his establishments but not in others. Particularly for big employers, we think this will make a significant difference to the power of selective strike action, even though it does not go as far as our own proposal that anyone dismissed during a strike has no claim to unfair dismissal.
- The ability of employers selectively to re-engage former employees after three months. We think Mr. Tebbit might be pressed on the three months, which is rather a long time for an employer to go without key staff: one month would be much better. But selective re-engagement is certainly another important step in the right direction.

Subject to that one comment, therefore, we recommend that the Prime Minister accept Mr. Tebbit's proposals.

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