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Prime Minister  
Depressing news  
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CC IND / POL PTZ  
POLIS

MR FLESHER

31 August 1984

31/8.

STRIKES: LATEST INFORMATION

I gather that the Prime Minister asked this morning for more information about events at Tilbury and about NIC contributions from striking miners.

TILBURY

There were reports this morning that the TGWU was fining dockers who returned to work at Tilbury. The position seems to be this:

1. According to the PLA, pickets are 'asking for' (and presumably obtaining) union card numbers from members entering the dock.
2. The TGWU apparently intend to call such members before branch officials to 'consider disciplinary penalties'. The union rules allow a maximum fine of £30 for any single instance of misconduct.
3. Dockers who refuse to pay a fine may be suspended by their branch. They have a right of appeal to

regional and national committees; but they may be expelled from the union by these committees if they lose the appeal and still refuse to pay the fine.

Since Tilbury is a closed shop, suspension or expulsion from the union amount to suspension or dismissal from the dock.

4. Any docker who is suspended or expelled has a right to appeal to an Industrial Tribunal against the Union. We are advised that, under section 4 of the Employment Act 1980, and sections B and D of the 1983 Code of Practice, the docker would have good grounds for arguing that the expulsion was unreasonable. If the Tribunal found that it was unreasonable, the union could be ordered to pay compensation up to £20,000. (Tribunals usually take two or three months to reach decisions; but informal pressure might be applied by D/Emp to speed them up.)

5. We believe that the docker would not have any additional redress against his employers, since the provisions of the Employment Acts dealing with closed shop dismissals do not come into force until later this year.

CONTRIBUTORY BENEFITS FOR STRIKING MINERS

Miners on strike do not pay national insurance contributions and receive no credits.

The national insurance contributions paid during a given tax year govern the amount of unemployment and sickness benefit to which the contributor is entitled during the following calendar year. The amount paid by miners from April 1984 to April 1985 therefore governs the amount of benefit to which they will be entitled from January 1986 to January 1987.

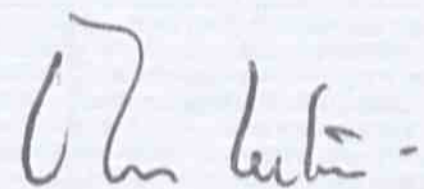
The rule is that, to qualify for full benefit in a given calendar year, one must have paid a contribution equal to fifty times the contribution demanded each week from a person on the lower earnings limit of £34 p.w. The amount of benefit decreases in steps as the amount of contribution falls below this sum.

This means that a miner earning £180 p.w. would have to pay contributions for ten weeks between April 1984 and April 1985 to qualify for full unemployment and sickness benefits during the calendar year 1986; if he contributed for only 7.5 weeks, he would be entitled to 75% of the benefits; if he contributed for five weeks, he would be entitled to 50%;

and if he contributed for less than five weeks, he would not be entitled to any benefit.

The result is that miners on £180 p.w. will begin to lose contributory benefits in 1986 only if they remain on strike beyond the middle of January 1985, and will lose all such benefits only if they remain on strike after the middle of March 1985.

It should, of course, be remembered that a miner who loses contributory benefits may nevertheless receive supplementary benefits which more than compensate for the loss.



OLIVER LETWIN