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CABINET

CONCLUSIONS of a Meeting of the Cabinet
held at 10 Downing Street on

THURSDAY 22 NOVEMBER 1984

at 10.30 am

P R E S E N T

The Rt Hon Margaret Thatcher MP
Prime Minister

The Rt Hon Lord Hailsham of St Marylebone
Lord Chancellor

The Rt Hon Leon Brittan QC MP
Secretary of State for the Home Department

The Rt Hon Keith Joseph MP
Secretary of State for Education and Science

The Rt Hon George Younger MP
Secretary of State for Scotland

The Rt Hon John Biffen MP
Lord Privy Seal

The Rt Hon Tom King MP
Secretary of State for Employment

The Rt Hon Peter Rees QC MP
Chief Secretary Treasury

The Rt Hon Douglas Hurd MP
Secretary of State for Northern Ireland

The Rt Hon Lord Young of Graffham
Minister without Portfolio

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THE FOLLOWING WERE ALSO PRESENT

Mr John Gummer MP
Paymaster General

The Rt Hon Paul Channon MP
Minister of State, Department of Trade
and Industry (Item 4)

Mr John Cope MP
Treasurer of the Household

SECRETARIAT

- Sir Robert Armstrong
- Mr P L Gregson (Items 5 and 6)
- Mr D F Williamson (Items 3 and 4)
- Mr B G Cartledge (Items 3 and 4)
- Mr M S Buckley (Items 5 and 6)
- Mr C J Brearley (Items 1 and 2)
- Mr B Watson (Items 1 and 2)

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1. THE PRIME MINISTER said that the Secretary of State for the Environment had been injured in a car accident the previous evening; he had sustained relatively minor injuries but was expected to remain in hospital at least until the weekend. The Cabinet would wish to send a message of sympathy.

The Cabinet -

instructed the Secretary of the Cabinet to convey to the Secretary of State for the Environment their sympathy and their best wishes for a quick recovery.

2. The Cabinet were informed of the business to be taken in the House of Commons in the following week.

THE LORD PRIVY SEAL said that, following a Written Answer on 21 November announcing the annual uprating of supplementary benefit payments, the Opposition had pressed very strongly for the Secretary of State for Social Services to make an Oral Statement to the House because of concern about the increase in the deduction from supplementary benefit payments to the families of strikers to represent a deemed amount of strike pay. The figure, which was currently £15 a week, was due to increase to £16 a week in line with the increase in supplementary benefit payments. It had subsequently been agreed that the Secretary of State for Social Services would make an Oral Statement at 10.00 pm the previous evening. He had, however, scarcely begun his statement when a group of 25-30 Labour Members of Parliament, led by Mr Eric Heffer, had disrupted the sitting. Their attitude was generally threatening, and one of them Mr David Nellist, had torn up part of the statement by the Secretary of State for Social Services. Faced with this disruption the Speaker had suspended the sitting for 10 minutes. On the Speaker's return matters had not improved and the Speaker had adjourned the House. In the Lord Privy Seal's view, these events absolved the Government from any further requirement to make an Oral statement on the issue. The Opposition had however made a formal request to the Speaker for an emergency debate under Standing Order 10. He could not say how the Speaker would respond, although it was clear that he would not grant an emergency debate that day. The Speaker might be prepared to allow a debate on Monday 26 November, in which case the Second Reading of the Social Security Bill and the other business for that day would have to be set back by three hours. For his part, he would be extremely unwilling to give up Government time in the light of what had occurred and of the fact that there was an Opposition day set down for Tuesday 27 November, on which they were currently planning to debate a motion on the natural environment and the national heritage.

In discussion it was pointed out that there was nothing unprecedented about the nature of the increases in supplementary benefit payments or the deduction in respect of deemed strike pay, nor in the manner in which it had been announced. It was clear that the media (and some Members of Parliament) had not appreciated that the increase in the deduction was accompanied by an increase in supplementary benefit payments which would leave over 99 per cent of the families of striking miners no worse off and give 85 per cent of them some increase in cash terms. Only 100-200 families might lose a small amount. These changes were automatic and provided for in legislation. Over £20 million had already been spent in supplementary benefit to the families of striking miners, and it was not appropriate for the taxpayer to make payments to strikers themselves, especially when their own union would not provide strike pay out of their funds.

THE PRIME MINISTER, summing up the discussion, said that there were two areas for concern. The first was that the Government's action should be presented in the correct light; for that purpose additional briefing should be given to the media and to Members of Parliament. They should be in no doubt that the action taken was a well preceded and normal part of the November uprating, and not specifically directed at striking miners. The second issue was the possibility of the increased use of disruption in the House of Commons. This was an extremely serious development. It was, however, for the Speaker and the House generally to determine how to deal with it. The Speaker's immediate response was not known, but it would be important for the Government not to give the impression that it expected the disruptive attitudes shown the previous day to continue.

The Cabinet -

1. Took note, with approval, of the Prime Minister's summing up of the discussion.

THE LORD PRESIDENT OF THE COUNCIL said that on Tuesday 27 November the House of Lords would debate the report of the Sound Broadcasting Committee on televising the proceedings of the House. The report of the Committee had suggested that an experiment should begin in January for six months and that it should be financed almost entirely by the broadcasting authorities. The broadcasting authorities had, however, made it clear that they could not continue to finance the televising of the House after the experimental period of six months, and he had made it clear that there was no question of the Government providing finance. He had also made it clear that Ministerial statements in the Commons which were repeated in the Lords could not be broadcast.

The Cabinet -

2. Took note.

3. THE FOREIGN AND COMMONWEALTH SECRETARY said that there was likely to be a renewed outbreak of wrangling between India and Pakistan. The Indian Prime Minister, Mr Rajiv Gandhi, was evidently using the foreign bogey and anti-Pakistani feeling for electoral purposes. The deterioration in Indo-Pakistani relations was therefore likely to continue until after the Indian general election on 24 December. So far as relations between India and the United Kingdom were concerned, the British High Commissioner in New Delhi had reported continuing threats in Indian governmental circles of a trade boycott in the event of behaviour by the Sikh community in the United Kingdom which the Indians might regard as provocative. This posed a serious risk: export contracts worth £5 billion could be at stake. The march by Sikhs in Central London, which had been due to take place on 18 November, had been banned, and Foreign and Commonwealth Office and Home Office Ministers had carefully explained the legal position to the Acting Indian High Commissioner; the British High Commissioner in New Delhi had taken similar action with the Indian Ministry of Foreign Affairs and with members of Mr Rajiv Gandhi's staff. It was hoped that these steps would reduce tension in relations between the United Kingdom and India, but there was a danger that such ground as had been made up would be lost immediately if the Sikh march were, in due course, to go ahead. There had already been reports of attacks on Hindu temples and on moderate Sikhs in the United Kingdom: there was clearly a real risk of inter-communal disorders, which could perhaps provide a basis for a request from the Commissioner of the Metropolitan Police for a further ban on the planned march.

In a brief discussion it was pointed out that the legal position with regard to a further ban on the march was not straight-forward; there had been a possibility of a legal challenge to the earlier ban and the view had been expressed that an orderly march could even assist in reducing tension. The march nevertheless seemed unlikely to take place in the immediate future, and the Sikh leader, Dr Chauhan, was ill.

THE FOREIGN AND COMMONWEALTH SECRETARY said that the arrest by the Egyptian authorities of four men, including two British subjects, who were alleged to have plotted the assassination, at Libyan behest, of a former Libyan Prime Minister, in Cairo, represented a successful Egyptian operation against the Libyan Government. The Egyptians had nevertheless been unforthcoming with information about it and were concentrating on extracting the maximum propaganda advantage from their coup. In particular, the Egyptian authorities had not responded to British requests for information concerning the Egyptian President's reference to a Libyan plot to kill the British Prime Minister. Consular access to the two detained Britons had been granted and no charge had so far been brought against them. There had been some suggestion of earlier links between the two detainees and a Libyan, Mr Shabli, who had been charged with drug offences and arrested in the United Kingdom in December 1983 and had subsequently jumped bail; investigations into this aspect

of the affair were continuing. A perverse consequence of the episode was likely to be renewed difficulties in the United Kingdom's relations with Libya.

The Cabinet -

- 1. Took note.

THE PRIME MINISTER gave an account of the discussions at the Anglo-Irish Summit at Chequers on 18 and 19 November.

The Cabinet -

- 2. Took note.

4. THE FOREIGN AND COMMONWEALTH SECRETARY said that the Council of Ministers (Foreign Affairs) on 20 November had reached agreement that the European Development Fund to accompany the new Convention should be 7.4 billion ecu for African, Caribbean and Pacific (ACP) countries, with an additional 100 million ecu for overseas countries and territories. The United Kingdom, however, would not be contributing more than its existing share of 7 billion ecu. This was a good result. There had also been agreement to improve the text referring to human rights. It was hoped that the negotiations with the ACP countries on the new Convention would now be concluded very soon.

THE FOREIGN AND COMMONWEALTH SECRETARY reported that there had been no significant progress in the Council of Ministers (Foreign Affairs) on 20 November towards agreeing the Community's position for the enlargement negotiations with Spain and Portugal. There would be further discussions in the Council next week. It was possible that certain agricultural questions and more specific arrangements on Community exports of cars could be settled then. If so, the two remaining significant points - wine and fisheries - would be submitted to the European Council on 3-4 December.

THE CHANCELLOR OF THE EXCHEQUER said that the meeting between the Council of Ministers (Finance) and the European Parliament about the text on budgetary discipline had now been held. The European Parliament had suggested certain changes to the text but the Chairman of the Council had stood firm. The unaltered text would now be submitted to the Council of Ministers (Foreign Affairs) on 26 November for final adoption. It was important that adoption should take place at that Council, as was proposed.

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Anglo-Irish Summit

COMMUNITY AFFAIRS

Home Convention

Previous Reference: CC(84) 37th Conclusions, Minute 3

Enlargement of the Community

Previous Reference: CC(84) 37th Conclusions, Minute 3

Community Budget

Previous Reference: CC(84) 37th Conclusions, Minute 3

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The Cabinet -

Took note.

5. THE SECRETARY OF STATE FOR ENERGY reported to the Cabinet on the latest position in the coal industry dispute. The Cabinet's discussion is recorded separately.

INDUSTRIAL
AFFAIRS

Coal
Industry
Dispute

Previous
Reference:
CC(84) 37th
Conclusions,
Minute 4

Employment
Legislation

THE SECRETARY OF STATE FOR EMPLOYMENT said that the employment and trade union legislation which the Government had promoted was effecting a quiet revolution in trade union attitudes. The provisions of the Trade Union Act 1984 requiring a secret ballot to be held before strike action as a condition for the civil immunity of such action had played a part in undermining the recent strike at Austin Rover; trade unions were acquiescing in the disappearance of closed shops, unless they were sure of success in a ballot to test whether the workforce wanted a closed shop; and two trade unions had indicated that, contrary to the policy of the Trades Union Congress, they would make use of the statutory provisions for financial assistance from public funds for the cost of postal ballots. Even the Transport and General Workers' Union, the largest trade union in the country and one of the main advocates of a policy of ignoring the legislation, was reconsidering its attitude.

The Cabinet -

Took note.

6. THE CHANCELLOR OF THE EXCHEQUER said that interest rates in London were continuing to ease, as a result largely of developments in the United States: that morning one of the four main clearing banks had reduced its base lending rate from 10 to 9.5 per cent.

The Cabinet -

Took note.

Cabinet Office
22 November 1984

ECONOMIC
AFFAIRS

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SIR ROBERT ARMSTRONG
(BOUND VOLUME)

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CABINET

LIMITED CIRCULATION ANNEX

CC(84) 38th Conclusions, Minute 5

Thursday 22 November 1984 at 10.30 am

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INDUSTRIAL
AFFAIRS

Coal
Industry
Dispute

Previous
Reference:
CC(84) 37th
Conclusions,
Minute 4

THE SECRETARY OF STATE FOR ENERGY said that the drift back to work among striking miners continued. There were now only 27 pits out of 174 at which no men were present, although there would be a delay before this fact was reflected in the statistics issued by the National Coal Board (NCB). About 4,750 miners had so far returned during the current week. It was now estimated that out of 222,000 employees of the NCB 96,000 were not on strike, and that out of 189,000 members of the National Union of Mineworkers (NUM) 65,000 were not on strike. The areas where the return to work was strongest were the North East, South Yorkshire, and North Derbyshire: in addition, the area membership of the NUM in North Wales had told the national union that it could not continue with strike action because so many of its members had returned to work. The NCB were considering making early payment to working miners of a proportion of the back pay due from the increase offered in November 1983. This would both reward those who had stayed at work and encourage a continuation of the return to work. Despite adverse weather, movements of coal in the current week were running at a high level, and should reach over 950,000 tonnes.

THE HOME SECRETARY said that the law and order situation was much as he had reported at the previous meeting of the Cabinet. There was little mass picketing, but there continued to be scattered picketing by relatively small numbers, sometimes accompanied by random outbreaks of violence. The police were making an increasing number of arrests among apparent offenders. The backlog of cases to be heard in magistrates' courts was falling. Of the more serious cases, 43 had been received by the Crown Court following committal; 14 of these had been disposed of. Some of the cases involved several defendants.

THE PRIME MINISTER, summing up a brief discussion, said that the line to take remained unchanged: Ministers should, without seeking to make political capital out of it, note the number of those returning to work and express the hope that the industry would get back to normal as soon as possible. Meanwhile it was important to maintain a high level of coal deliveries to power stations, and all possible measures should be taken to minimise the risk of disruption to such deliveries by adverse weather conditions, for example by ensuring that there were adequate and suitably located supplies of salt for dealing with icy roads.

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The Cabinet -

1. Took note of the Prime Minister's summing up of their discussion.
2. Invited the Secretary of State for Energy, in consultation with the Secretary of State for Transport, to satisfy himself of the adequacy of the arrangements for maintaining coal deliveries to power stations in adverse weather conditions.

Cabinet Office

23 November 1984.

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