

CONFIDENTIAL

a. Sec Robert Armstrong DSS

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10 DOWNING STREET

From the Private Secretary

10 October 1983

STRIKES IN ESSENTIAL SERVICES

The Prime Minister has seen your Secretary of State's note suggesting ways in which the Manifesto commitment on strikes in essential services might be advanced. She is content with your proposal for a meeting of those Ministers most closely involved, including Mr. Gummer.

This Office will arrange such a meeting. It would be helpful if your Secretary of State could circulate the note attached to his minute.

I am copying this letter to Peter Gregson (Cabinet Office).

Andrew Turnbull

Barnaby Shaw, Esq.,
Department of Employment.

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So

cc Mr GREGSON

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cc Mr Gregson



Prime Minister

Agree to a meeting of those at X
+ Mr Gregson to discuss Mr Tebbitt
paper.

AT 7/10

Yes mt

PRIME MINISTER

STRIKES IN ESSENTIAL SERVICES

I would welcome a discussion about how we might carry forward the commitment in the Manifesto to "consult further about the need for industrial relations in essential services to be governed by adequate procedure agreements, breach of which would deprive industrial action of immunity".

2 This commitment reflected the conclusions we reached on the basis of the analysis provided in my minute to you of 6 May. In short, we saw no foreseeable prospect of establishing no-strike agreements which would prove effective. We also concluded, I am sure rightly, that it was not practicable to seek to prohibit industrial action in essential services by an extension of the criminal law or by removing completely civil immunity for organising industrial action. Given the almost universal reluctance of employers to contemplate legally binding agreements, the option of deeming procedure agreements to be legally binding and enforceable by both parties offered no attractions.

3 We have of course already taken a number of steps which should progressively inhibit strikes in essential services. Closed shops are being undermined, trade unions' immunities have been narrowed and their funds are now at risk. The Bill I am to introduce shortly will better ensure that union leaders reflect their members' views and interests. Above all else, the requirement for strike ballots if immunity is to be



preserved should significantly reduce the disposition of union leaders to seek to command support for industrial action in essential services, which is usually both national and official.

4 With all these considerations in mind, I set out in the note attached to this minute an approach we could contemplate. Essentially this approach proposes certain minimum statutory procedural arrangements, breach of which would lead to loss of immunity. The note explains the reasons for adopting this approach and I judge it the most practicable option currently available.

5 At the present time however it does have the disadvantage that it could be viewed by some of our supporters as falling some long way short of providing a sure protection against the possibility of disruption to essential services. However understandable that objective, it is not yet attainable and we cannot pretend that it is. My concern is that if we pressed ahead with consultations now excessive expectations could be fostered and attention would be distracted from the foundations of the approach we have already laid and from the importance of the provisions of the forthcoming Bill. I see the Bill and the decay of closed shops as the next most important steps.

6 I am inclined therefore to postpone consultations specifically on the problem of essential services to a timetable which would allow legislation in the 1985/86 Session in accord with your expressed view that bills on industrial affairs seem to be needed every two years. This would allow us to experience the effects of what we have already achieved and plan, and could allow the possibility of a more radical



approach. In the interim I would be very surprised if the commitment in the Manifesto did not exert a powerful pressure on unions in essential services to observe the procedural agreements they have voluntarily entered.

7 You may wish to consider extending the discussion I suggest to other colleagues most closely concerned. I have in mind the Chancellor of the Exchequer and the Secretaries of State for Social Services, Trade and Industry, the Environment and Energy. You might consider that Mr Gummer might also participate.

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7 October 1983