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Ref. A084/3338

PRIME MINISTER

Cabinet: Industrial Affairs

In addition to the usual discussion on coal, the Secretary of State for Social Services will probably wish to report briefly on the Newcastle DHSS dispute.

Coal

2. In order to leave enough time for the local authority capital controls item, you will probably wish to encourage a shorter discussion of coal than is usual. You might invite reports from:

(i) The Secretary of State for Energy on:

- the number of pits and miners working;
- the stories in the press that the NUM's Nottinghamshire Area Council will, on 20 December, be likely to vote in favour of a rule change making that Area no longer subordinate to decisions of the NUM nationally and of ending the overtime ban.

- talks will be TUC

(ii) The Home Secretary on law and order.

(iii) The Attorney General on:

the legal actions affecting the NUM;

500-600

workweek

Lowest in Scotland

Manton 430
29

Mr. Duly, M.P.
More than 50% down

Coal. good
TUC

hidden
T.U.C.

the outcome of the legal action affecting the TGWU.

3. The next opportunity for a discussion will be at the meeting of MISC 101 at which the Lord President has been asked to take the chair in your absence, on Tuesday 18 December at 11.30 am.

Newcastle DHSS Dispute

A 4. The Secretary of State for Social Services sent you a minute on 9 November suggesting that it might now be desirable for DHSS management to bring the Newcastle dispute to a head. He set out a number of options for doing this. You asked the Lord President to chair an ad hoc group of Ministers to consider the matter and make recommendations. This group had two meetings, on 29 November and 4 December. Although no final decision has yet been taken discussions so far have suggested that the least undesirable action by management would be unilateral variation of the terms and conditions of service of the employees concerned at Newcastle. The Solicitor General has however advised that this course, while the least undesirable, would carry a significant risk of a successful challenge at common law and a smaller risk of successful challenge in an industrial tribunal. In his minute to the Lord President of 12 December (copied to you) he has explained what the consequences would be in either case.

B 5. The matter has not been taken further for the moment because last week reports began to appear in the press that the strike might be on the point of collapse. Following agreement between the management and the other two unions involved (the Society of Civil and Public Servants and the Civil Service Union) and failure of attempts to widen the industrial action, the National Executive Committee of the Civil and Public Services Association (CPSA) decided to send a deputation to

Newcastle to try and persuade the strikers to end the dispute. The threat of withdrawing strike pay has been mentioned but not actually made. The CPSA deputation is meeting the Newcastle strike committee today and there will be a mass meeting of strikers tomorrow (Thursday). Whatever the outcome of these meetings, the position is likely to remain uncertain until Christmas.

6. Against this background the Secretary of State for Social Services considers that any management action to bring the dispute to a head should not be initiated (if at all) until after the New Year holiday. Provisional arrangements have been made for the Lord President to take stock of the position at a meeting of his small ad hoc group next week.

RA

ROBERT ARMSTRONG

12 December 1984