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The Prime Minister,  
10, Downing Street,  
LONDON

6th February, 1985.

Dear Prime Minister

It was good to see you last Monday. The essence of my remarks on the miners' strike, was that Scargill is busy organising his own survival. The face-saving tactic is to get into negotiations without a commitment to discuss pit closures, then seek more concessions, including an amnesty for those dismissed, before talking about uneconomic pits. If concessions were given, he would then leave it at that, repeating his implacable opposition to closures on economic grounds.

By getting prior agreement from the NUM to discuss closures, that negotiating gambit is removed. It would be a NACODS type settlement, though the Board could offer an amnesty to miners who had been dismissed for trivial offences. This is as much as the NUM could hope for, given its initial rigid stance (precondition) on the closure question. There is talk of a 'no deal' return to work. This may happen. It would expose Scargill's appalling leadership, but also leave a cauldron of bitterness for the Board to handle. A negotiated settlement would be infinitely preferable and allow the Board and the NUM to work together in moving the industry towards normality.

We talked on Monday of the three likely settlement options; the drift back, the NUM Executive revolt and the 'no deal' return'. There is a fourth option - a secret ballot on whether or not to accept the NACODS deal. The answer would be clear and would give a face-saver to the striking miners, the NUM Executive and NACODS itself would be pleased. It would be rough justice too. The Union's biggest strategic mistake, was to call the Strike without a national ballot. Ironically, a ballot now be the easiest way for the Union to live with defeat. Two or three weeks should see the dispute ended.

There is another problem looming, which I had not time to mention last Monday. It concerns the railways and pressures which are building up to a possible confrontation around March/Apriltime, when negotiations are due.

Whilst acting as Special Adviser on industrial relations to the Secretary of State for Transport, I made many contacts in the railway industry as a prelude to submitting my report on its future industrial relations strategy. I understand from Andrew that you have seen this. If so, you will recall it is very brief and advocates a 'macro-package' to improve the industry's industrial relations; better severance payments to help the manpower rundown, a two-year wage agreement to give time to fully implement productivity schemes and a streamlining of the industry's negotiating machinery, which is currently a procedural swamp. Electrification of the East Coast Main Line was a further bait to tempt the Unions to accept the reforms in the package.

Unfortunately, the electrification point was conceded last Spring and during the wage negotiations the outstanding productivity matters were not pressed by the Board, probably due to the Miners' strike and the risk that the Unions might use the issue as an excuse to join forces with the miners. Apart from the £250m loss to the Board, arising from the miners' Strike (one quarter of it self-inflicted by rail staff) there may well be a legal action taken by the Board against the Unions for the recent one-day strike. The Board's dilemma is that to take no action invites a repetition of these tactics by the Unions. But to take an action further worsens relationships in the run-up to negotiations. And ASLEF has publicly threatened to withdraw from the agreement on flexible rostering...

I have some ideas on what should be done; but I'll leave it there. I hope somebody, somewhere is putting the pieces of this jigsaw together. I merely wanted to draw your attention to a potentially serious industrial relations problem. I hope to keep in touch with you about this matter.

During the past eight or nine years it has been a great privilege to be able to offer you occasional advice on industrial relations topics. At the risk of seeming impertinent, may I suggest that you consider having me as a part-time adviser on industrial relations. I have the time and the experience and you can rely on my complete loyalty. I could add an extra, practical dimension to the the strategic advice you are already receiving and help also with day to day problems. The special report I prepared for the Secretary of State for Transport in December 1983, is an example of what I could do for you.

Whatever you decide on this point, I will be happy to continue to assist you on the present basis. The impact of new technology, however, in the next few years, is certain to throw up complex new problems in the industrial field as we search for new patterns of work and leisure and grapple with the social implications. Some of the disputes thrown up will inevitably be serious and require decisions and guidance from you and your colleagues. I would like to be nearer to you and so able to use more effectively my practical and international experience in my own field.

with warmest regards

Jack Paul

~~Yours sincerely~~ ..